S8450-1.1-4

ANNUAL STATISTICS

Of

WATER COMPANIES

1986

Prepared by Revenue Requirements Section

October 1987

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

Olympia, Washington

98504

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ANALYSIS OF WATER UTILITIES IN THE STATE OF WASHINGTON

YEAR 1986

Introduction:

This statistical report incorporates the results of operations of various privately owned water utilities that are regulated by this Commission.

The last annual publication of water statistics was issued in 1980. Resources were not available to issue reports after that date.

Since the last publication of water statistics, various revisions have been made in the format and content of the annual report submitted by the water utilities to the Commission. In particular, the present annual report form is derived from the Uniform System of Accounts (1984) adopted by the National Association of Regulatory Utility Commissioners (NARUC) with slight modifications.

The annual report format is somewhat more elaborate for Class A & B companies with revenues in excess of $150,000; the format is minimal for Class C companies with revenues less than $150,000.

The detailed statistical tables presented in this publication consist of: the balance sheet, operating income statement, plant statistics and various related ratios. Appendix 1 contains the detailed tables for class A & B companies. Appendix 2 contains the detailed tables for class C companies. Also, the companies are arranged in order of magnitude ranging from highest to lowest

operating revenues for 1986. This will facilitate the comparison of similar sized companies.

List of Companies:

Table 1 lists the 52 water companies that were under regulation by the Commission in 1986.

The following companies went out of regulation in 1986 and they are excluded from this report:

Beachcrest Water Company
Stanwood Water Company
Clarkston Water Company

Four of the 52 companies, who have submitted annual reports for 1986 have been excluded from the 1986 water statistics for various reasons. Those companies are:

Admiral's Cove, Inc.
Whidbey West
The W. Main Corporation - Utilities Division
Sanderson & Associates, Inc.

Results:

Companies listed in Table 1 are in alphabetical order. Table 2 gives the list of companies by operating revenues, customers and classification. In this table the companies are sorted by operating revenues so that similar sized companies can be compared by inspection. In 1986 there were four companies classified as A or B while the remaining 48 companies were classified as C companies.

Table 1 -- Alphabetical List of Water Companies

#		NAME OF WATER COMPANY	OPERATING REVENUE(1986)	CUSTOMERS
1		Admiral's Cove, Inc.	16,875	171
2		Alderbrook Water Company, Inc.	80,201	692
3		Alderton-Mcmillin Water Supply, Inc.	111,557	522
4	*	Alderwood Estates Water, Inc.	N.A.	N.A.
5		Basin Water Sources, Inc.	51,895	268
6		Boston Harbor Water Systems Corporation	23,468	169
7		Burton Water Company	39,697	352
8		Crosswoods Water Company, Inc.	12,206	127
9		Dawn Park Water, Inc.	20,520	114
10	*	Desert Water Company	N.A.	N.A.
11		Diamond Point Water Company	18,651	130
12		Dishman Water Company, Inc.	30,225	93
13		El Rancho Water Company, Inc.	69,978	259
14		Evergreen Land & Water, Inc.	34,536	191
15		Frog Pond Waters, Inc.	45,925	347
16		H2O Company, The	41,916	300
17		Harbor Water Co., Inc.	612,939	3,346
18		Harrison-Ray Water Company, Inc.	73,665	207
19		Indian Springs Water Company	39,191	218
20		Island Lake Water Company	30,586	167
21		Kala Point Utility Company	30,402	207
22		Lakeland Village Water Company, Inc.	22,127	202
23		Lara Lee, Inc.	24,522	82
24		Little Spokane River Water System, Inc.	12,482	30
25		Ludlow Utilities Company	90,872	487
26	*	Marvin Road Water Company	N.A.	N.A.
27		Mirrormont Services, Inc.	101,750	608
28		North Bainbridge Water Company	142,259	899
29		North Woodland Water System, Inc.	21,500	110
30		Oak Park Water Company, Inc., The	22,353	112
31		Pacific Beach Water, Inc.	51,201	NO DATA
32		Pattison Water Company	53,704	287
33	*	Point Fosdick Water Co., Inc.	N.A.	N.A.
34		Raft Island Water Company	24,030	150
35		Richardson Water Companies	471,603	NO DATA
36		Rivervale Water Company	8,290	15
37		Sanderson & Associates, Incorporated	58,081	288
38		Saratoga Water, Inc.	26,517	152
39		Sea View Water Company	21,220	133
40		Solmar Water System, Inc.	39,588	244
41		Sound Water Company, Incorporated	180,203	590
42		South Bainbridge Water System, Inc.,	108,157	362
43		South Sound Utility Co., Inc.,	312,048	1,445
44		Spokane Suburban Water Company	2,140,794	7,156
45		Stroh Water Co.	54,208	324
46	*	Terraced Estates Water Co.	N.A.	N.A.
47		View Royal Water Company	8,928	70
48		West Pasco Water System Inc.,	105,743	626
49		Westbourne Acres Water Corporation	10,655	31
50		Whidbey West	26,731	122
51		W. B. Water Works	26,582	300
52		W.Main Corporation, The -Utilities Divn.	18,924	121

* = Annual report not received as of September 30, 1987

Table 2 -- List of Water Companies sorted by Operating Revenues

NAME OF WATER COMPANY	OPERATING REVENUE(1986)	CUSTOMERS
Spokane Suburban Water Company	2,140,794	7,156
Harbor Water Co., Inc.	612,939	3,346
Richardson Water Companies	471,603	NO DATA
South Sound Utility Co., Inc.,	312,048	1,445
Sound Water Company, Incorporated	180,203	590
North Bainbridge Water Company	142,259	899
Alderton-Mcmillin Water Supply, Inc.	111,557	522
South Bainbridge Water System, Inc.,	108,157	362
West Pasco Water System Inc.,	105,743	626
Mirrormont Services, Inc.	101,750	608
Ludlow Utilities Company	90,872	487
Alderbrook Water Company, Inc.	80,201	692
Harrison-Ray Water Company, Inc.	73,665	207
El Rancho Water Company, Inc.	69,978	259
Sanderson & Associates, Incorporated	58,081	288
Stroh Water Co.	54,208	324
Pattison Water Company	53,704	287
Basin Water Sources, Inc.	51,895	268
Pacific Beach Water, Inc.	51,201	NO DATA
Frog Pond Waters, Inc.	45,925	347
H2O Company, The	41,916	300
Burton Water Company	39,697	352
Solmar Water System, Inc.	39,588	244
Indian Springs Water Company	39,191	218
Evergreen Land & Water, Inc.	34,536	191
Island Lake Water Company	30,586	167
Kala Point Utility Company	30,402	207
Dishman Water Company, Inc.	30,225	93
Whidbey West	26,731	122
W. B. Water Works	26,582	300
Saratoga Water, Inc.	26,517	152
Lara Lee, Inc.	24,522	82
Raft Island Water Company	24,030	150
Boston Harbor Water Systems Corporation	23,468	169
Oak Park Water Company, Inc., The	22,353	112
Lakeland Village Water Company, Inc.	22,127	202
North Woodland Water System, Inc.	21,500	110
Sea View Water Company	21,220	133
Dawn Park Water, Inc.	20,520	114
W.Main Corporation, The -Utilities Divn.	18,924	121
Diamond Point Water Company	18,651	130
Admiral's Cove, Inc.	16,875	171
Little Spokane River Water System, Inc.	12,482	30
Crosswoods Water Company, Inc.	12,206	127
Westbourne Acres Water Corporation	10,655	31
View Royal Water Company	8,928	70
Rivervale Water Company	8,290	15
* Alderwood Estates Water, Inc.	N.A.	N.A.
* Terraced Estates Water Co.	N.A.	N.A.
* Desert Water Company	N.A.	N.A.
* Point Fosdick Water Co., Inc.	N.A.	N.A.
* Marvin Road Water Company	N.A.	N.A.

* = Annual report not received as of September 30, 1987

The following is a brief summary of the various financial statements, separately, for Class A or B companies, Class C companies and corresponding state totals.

	Class 'A' or 'B' Water Companies	Class 'C' Water Companies	Total State
Operating Revenues	$3,537,384	$1,911,510	$ 5,448,894
Total Operating & Maintenance Expenses	1,888,250	1,408,827	3,297,077
Depreciation & Amortization Expenses	312,674	313,668	626,342
Taxes	685,602	205,823	891,425
Total Operating Expenses	2,886,526	1,928,318	4,814,844
Net Operating Income	650,858	(16,808)	634,050
Other Income	170,971	157,339	328,310
Other Deductions	498,807	373,387	872,194
Net Income	$ 323,022	$ (232,856)	$ 90,166
Total Utility Plant	$17,086,070	$12,987,454	$30,073,524
Less: Depreciation & Amortization	3,889,623	3,031,287	6,920,910
Contributions in Aid of Construction	6,306,987	3,886,734	10,193,721
Net Utility Plant	$6,889,460	$6,069,433	$12,958,893

Readers are requested to send their suggestions and comments to the attention of Dr. S. Ananda Rao, Coordinator, Reports and Statistics, either in writing or by phone at (206) 753-3006.

Appendix 1: Financial Statements of Class A & B Companies

Class	Name of Water Company
A	Spokane Suburban Water Company
B	Harbor Water Co., Inc.
B	Richardson Water Companies
B	South Sound Utility Co., Inc.,

CLASS A & B WATER UTILITIES
BALANCE SHEET & RELATED RATIOS
DECEMBER 31, 1986

BALANCE SHEET: ASSETS AND OTHER DEBITS	HARBOR WATER COMPANY, INC.	RICHARDSON WATER COMPANIES	SOUTH SOUND UTILITY COMPANY, INC.	SPOKANE SUBURBAN WATER CO.	TOTAL A & B WATER UTILITIES
NET UTILITY PLANT:					
UTILITY PLANT	$4,472,257	$2,918,094	$1,200,425	$8,495,294	$17,086,070
LESS: ACC. DEPRECIATION & AMORTIZATION	487,371	258,156	216,986	2,927,110	3,889,623
UTILITY PLANT ACQUISITION ADJUSTMENTS	0	0	0	0	0
OTHER UTILITY PLANT ADJUSTMENTS	0	0	0	0	0
NET UTILITY PLANT	3,984,886	2,659,938	983,439	5,568,184	13,196,447
OTHER PROPERTY AND INVESTMENTS:					
NONUTILITY PROPERTY	0	0	0	0	0
LESS: ACC. DEPRECIATION & AMORTIZATION	0	0	0	0	0
INVESTMENT IN ASSOCIATED COMPANIES	0	0	0	0	0
UTILITY INVESTMENTS	0	0	0	0	0
OTHER INVESTMENTS	0	0	0	0	0
SPECIAL FUNDS	0	0	0	0	0
TOTAL OTHER PROPERTY AND INVESTMENTS	0	0	0	0	0
CURRENT AND ACCRUED ASSETS:					
CASH	4,377	74,918	24,987	91,634	195,916
SPECIAL DEPOSITS	18,738	0	17,313	0	36,051
OTHER SPECIAL DEPOSITS	0	0	0	0	0
WORKING FUNDS	0	0	0	600	600
TEMPORARY CASH INVESTMENTS	0	0	0	0	0
ACCOUNTS AND NOTES RECEIVABLE(NET)	75,433	40,451	33,641	42,687	192,212
ACCTS RECEIVABLE FROM ASSOCIATED COMPANIES	0	0	0	0	0
NOTES RECEIVABLE FROM ASSOCIATED COMPANIES	0	0	0	0	0
MATERIALS AND SUPPLIES	39,010	0	0	29,493	68,503
STORES EXPENSE	0	0	0	0	0
PREPAYMENTS	0	0	3,384	13,884	17,268
ACCRUED INTEREST AND DIVIDENDS RECEIVABLE	0	0	0	0	0
RENTS RECEIVABLE	0	0	0	0	0
ACCRUED UTILITY REVENUES	0	0	0	114,999	114,999
MISC. CURRENT AND ACCRUED ASSETS	0	0	0	0	0
TOTAL CURRENT AND ACCRUED ASSETS	137,558	115,369	79,325	293,297	625,549
DEFERRED DEBITS:					
UNAMORTIZED DEBT DISCOUNT & EXPENSE	0	0	0	0	0
EXTRAORDINARY PROPERTY LOSSES	0	0	0	0	0
PRELIMINARY SURVEY & INVESTIGATION CHARGES	0	0	0	5,409	5,409
CLEARING ACCOUNTS	0	0	0	0	0
TEMPORARY FACILITIES	0	0	0	0	0
MISC. DEFERRED DEBITS	0	0	0	38,653	38,653
RESEARCH & DEVELOPMENT EXPENDITURES	0	0	9,540	0	9,540
ACCUMULATED DEFERRED INCOME TAXES	0	0	0	0	0
TOTAL DEFERRED DEBITS	0	0	9,540	44,062	53,602
TOTAL ASSETS & OTHER DEBITS	$4,122,444	$2,775,307	$1,072,304	$5,905,543	$13,875,598

CLASS A & B WATER UTILITIES
BALANCE SHEET & RELATED RATIOS
DECEMBER 31, 1986

BALANCE SHEET: EQUITY CAPITAL & LIABILITIES	HARBOR WATER COMPANY, INC.	RICHARDSON WATER COMPANIES	SOUTH SOUND UTILITY COMPANY, INC.	SPOKANE SUBURBAN WATER CO.	TOTAL A & B WATER UTILITIES
EQUITY CAPITAL:					
COMMON STOCK ISSUED	$13,570	$0	$5,000	$1	$18,571
PREFERRED STOCK ISSUED	0	0	0	0	0
CAPITAL STOCK SUBSCRIBED	0	0	0	0	0
CAPITAL STOCK LIABILITY FOR CONVERSION	0	0	0	0	0
PREMIUM ON CAPITAL STOCK	0	0	0	0	0
REDUCTION IN PAR/STATED VALUE OF CAP.STOCK	0	0	0	0	0
GAIN ON RESALE/CAN.OF REACQUIRED CAP.STOCK	0	0	0	0	0
OTHER PAID-IN CAPITAL	63,188	0	19,109	4,779,104	4,861,401
DISCOUNT ON CAPITAL STOCK	0	0	0	0	0
CAPITAL STOCK EXPENSE	0	0	0	0	0
RETAINED EARNINGS	126,276	0	197,216	8,185	331,677
REACQUIRED CAPITAL STOCK	(90,817)	0	0	0	(90,817)
PROPRIETARY CAPITAL	0	4,342	0	0	4,342
TOTAL EQUITY CAPITAL	112,217	4,342	221,325	4,787,290	5,125,174
LONG-TERM DEBT:					
BONDS	0	0	0	0	0
REACQUIRED BONDS	0	0	0	0	0
ADVANCES FROM ASSOCIATED COMPANIES	0	0	0	0	0
OTHER LONG-TERM DEBT	854,206	527,976	474,614	0	1,856,796
TOTAL LONG-TERM DEBT	854,206	527,976	474,614	0	1,856,796
CURRENT AND ACCRUED LIABILITIES:					
ACCOUNTS PAYABLE	24,890	65,362	25,812	12,086	128,150
NOTES PAYABLE	0	9,000	0	0	9,000
ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES	0	0	0	0	0
NOTES PAYABLE TO ASSOCIATED COMPANIES	0	0	50,659	0	50,659
CUSTOMER DEPOSITS	0	10,268	3,242	0	13,510
ACCRUED TAXES	10,209	6,777	8,283	50,296	75,565
ACCRUED INTEREST	0	0	0	0	0
ACCRUED DIVIDENDS	0	0	0	0	0
MATURED LONG-TERM DEBT	0	0	0	0	0
MATURED INTEREST	0	0	0	0	0
MISC. CURRENT AND ACCRUED LIABILITIES	0	0	0	43,748	43,748
TOTAL CURRENT AND ACCRUED LIABILITIES	35,099	91,407	87,996	106,130	320,632
DEFERRED CREDITS:					
UNAMORTIZED PREMIUM ON DEBT	0	0	0	0	0
ADVANCES FOR CONSTRUCTION	26,041	0	0	0	26,041
OTHER DEFERRED CREDITS	0	0	0	0	0
ACC. DEFERRED INVESTMENT TAX CREDITS	0	0	0	56,134	56,134
TOTAL DEFERRED CREDITS	26,041	0	0	56,134	82,175

CLASS A & B WATER UTILITIES
BALANCE SHEET & RELATED RATIOS
DECEMBER 31, 1986

BALANCE SHEET: EQUITY CAPITAL & LIABILITIES(CONT.)	HARBOR WATER COMPANY, INC.	RICHARDSON WATER COMPANIES	SOUTH SOUND UTILITY COMPANY, INC.	SPOKANE SUBURBAN WATER CO.	TOTAL A & B WATER UTILITIES
OPERATING RESERVES:					
PROPERTY INSURANCE RESERVE	0	0	0	0	0
INJURIES AND DAMAGES RESERVE	0	0	0	0	0
PENSIONS AND BENEFITS RESERVE	0	0	0	0	0
MISC. OPERATING RESERVES	0	0	0	0	0
TOTAL OPERATING RESERVES	0	0	0	0	0
CONTRIBUTIONS IN AID OF CONSTRUCTION:					
CONTRIBUTIONS IN AID OF CONSTRUCTION	3,303,813	2,151,582	325,935	911,301	6,692,631
ACC. AMORT. OF CONT.IN AID OF CONSTRUCTION	(232,454)	0	(37,566)	(115,624)	(385,644)
TOTAL NET C.I.A.C.	3,071,359	2,151,582	288,369	795,677	6,306,987
ACCUMULATED DEFERRED INCOME TAXES:					
ACC. DEF. INCOME TAXES-ACCEL. DEPRECIATION	0	0	0	146,568	146,568
ACC. DEF. INCOME TAXES-LIBER. DEPRECIATION	0	0	0	13,744	13,744
ACCUMULATED DEFERRED INCOME TAXES-OTHER	23,522	0	0	0	23,522
TOTAL ACCUM. DEFERRED INCOME TAXES	23,522	0	0	160,312	183,834
TOTAL EQUITY CAPITAL AND LIABILITIES	$4,122,444	$2,775,307	$1,072,304	$5,905,543	$13,875,598
RELATED RATIOS:					
RATIO OF ACCUM.PROV. FOR DEPRECIATION AND AMORTIZATION TO UTILITY PLANT IN SERVICE	-10.90%	-8.85%	-18.08%	-34.46%	-22.76%
RATIO OF L-T DEBT TO TOTAL CAPITALIZATION	88.39%	99.18%	68.20%	0.00%	26.59%

CLASS A & B WATER UTILITIES
NET OPERATING INCOME STATEMENT
DECEMBER 31, 1986

	HARBOR WATER COMPANY, INC.	RICHARDSON WATER COMPANIES	SOUTH SOUND UTILITY COMPANY, INC.	SPOKANE SUBURBAN WATER CO.	TOTAL A & B WATER UTILITIES
OPERATING REVENUE:					
UNMETERED WATER REVENUE	$31,137	$50,559	$5,347	$0	$87,043
METERED SALES-RESIDENTIAL	554,820	417,300	290,833	1,976,948	3,239,901
METERED SALES-COMMERCIAL	0	0	11,056	146,720	157,776
METERED SALES-INDUSTRIAL	0	0	0	9,142	9,142
METERED SALES-PUBLIC AUTHORITIES	0	0	0	0	0
METERED SALES-MULTIPLE FAMILY	0	0	0	0	0
OTHER SALES OF WATER	0	0	0	5,002	5,002
OTHER WATER REVENUE	26,982	3,744	4,812	2,982	38,520
TOTAL OPERATING REVENUES	612,939	471,603	312,048	2,140,794	3,537,384
OPERATING EXPENSES:					
SALARIES AND WAGES-EMPLOYEES	66,678	0	125,119	331,949	523,746
SALARIES AND WAGES-OFFICERS & DIRECTORS	70,639	0	0	0	70,639
EMPLOYEE PENSION & BENEFITS	21,293	0	13,504	60,145	94,942
PURCHASED WATER	0	0	9,540	47,190	56,730
PURCHASED POWER	78,554	0	23,687	226,043	328,284
FUEL FOR POWER PRODUCTION	0	0	0	0	0
CHEMICALS	0	0	67	1,737	1,804
MATERIALS & SUPPLIES	63,150	0	0	59,373	122,523
CONTRACTUAL SERVICES	13,993	0	14,392	105,405	133,790
RENTS	0	0	11,737	11,131	22,868
TRANSPORTATION EXPENSE	17,060	0	6,275	22,207	45,542
INSURANCE EXPENSE	19,671	0	8,045	36,045	63,761
ADVERTISING EXPENSE	0	0	0	5	5
REGULATORY COMMISSION EXPENSES	718	0	382	22,761	23,861
BAD DEBT EXPENSE	2,843	0	1,103	7,549	11,495
MISCELLANEOUS EXPENSES	27,840	303,055	27,696	29,669	388,260
TOTAL OPERATION & MAINTENANCE EXPENSES	382,439	303,055	241,547	961,209	1,888,250
DEPRECIATION EXPENSE	44,628	41,909	36,983	189,154	312,674
AMORTIZATION-UTILITY PLANT ACQ. ADJ.	0	0	0	0	0
AMORTIZATION EXPENSE	0	0	0	0	0
TAXES OTHER THAN INCOME	85,066	58,403	32,316	224,161	399,946
INCOME TAXES	21,461	0	0	223,110	244,571
DEFERRED FEDERAL INCOME TAXES	0	0	7,923	59,162	67,085
DEFERRED STATE INCOME TAXES	0	0	0	0	0
PROVISION FOR DEFERRED INCOME TAXES-CREDIT	0	0	0	(19,685)	(19,685)
INVESTMENT TAX CRED. DEF.TO FUTURE PERIODS	0	0	0	0	0
INVESTMENT TAX CRED. RESTORED TO OP.INCOME	0	0	0	(6,315)	(6,315)
TOTAL OPERATING EXPENSES	533,594	403,367	318,769	1,630,796	2,886,526
UTILITY OPERATING INCOME(LOSS)	79,345	68,236	(6,721)	509,998	650,858
INCOME FROM UTILITY PLANT LEASED TO OTHERS	0	0	0	0	0
GAINS/LOSSES FROM DISP.OF UTILITY PROPERTY	(23,683)	0	0	0	(23,683)
TOLTAL UTILITY OPERATING INCOME(LOSS)	$55,662	$68,236	($6,721)	$509,998	$627,175

CLASS A & B WATER UTILITIES
NET OPERATING INCOME STATEMENT
DECEMBER 31, 1986

INCOME STATEMENT (CONT.)	HARBOR WATER COMPANY, INC.	RICHARDSON WATER COMPANIES	SOUTH SOUND UTILITY COMPANY, INC.	SPOKANE SUBURBAN WATER CO.	TOTAL A & B WATER UTILITIES
OTHER INCOME AND DEDUCTIONS:					
REVENUES FROM MERCHANDISING & JOBBING	$56,096	$0	$86,586	$2,774	$145,456
COSTS AND EXP.OF MERCHANDISING AND JOBBING	(31,616)	0	(50,555)	(38)	(82,209)
INTEREST AND DIVIDEND INCOME	2,054	13,919	1,464	0	17,437
ALLOW. FOR FUNDS USED DURING CONSTRUCTION	0	0	0	6,671	6,671
NONUTILITY INCOME	0	0	0	1,407	1,407
MISC. NONUTILITY EXPENSES	(45,492)	0	0	1,075	(44,417)
TOTAL OTHER INCOME & DEDUCTIONS	(18,958)	13,919	37,495	11,889	44,345
TAXES APPLICABLE TO OTHER INCOME:					
TAXES OTHER THAN INCOME	0	0	0	336	336
INCOME TAXES	0	0	0	0	0
PROVISION FOR DEFERRED INCOME TAXES	0	0	0	0	0
PROVISION FOR DEFERRED INCOME TAXES-CREDIT	0	0	0	0	0
INVESTMENT TAX CREDIT-NET	0	0	0	0	0
INVESTMENT TAX CRED. RESTORED TO OP.INCOME	0	0	0	0	0
TOTAL TAXES APPLIC. TO OTHER INCOME	0	0	0	336	336
INTEREST EXPENSE:					
INTEREST EXPENSE	53,525	68,327	5,674	220,636	348,162
AMORTIZATION OF DEBT DISCOUNT & EXPENSE	0	0	0	0	0
AMORTIZATION OF PREMIUM ON DEBT	0	0	0	0	0
TOTAL INTEREST EXPENSE	53,525	68,327	5,674	220,636	348,162
EXTRAORDINARY ITEMS:					
EXTRAORDINARY INCOME	0	0	0	0	0
EXTRAORDINARY DEDUCTIONS	0	0	0	0	0
INCOME TAXES-EXTRAORDINARY ITEMS	0	0	0	0	0
TOTAL EXTRAORDINARY ITEMS	0	0	0	0	0
NET INCOME	($16,821)	$13,828	$25,100	$300,915	$323,022
PERCENTAGE DISTRIBUTION OF OPERATING REVENUES					
OPERATING AND MAINTENANCE EXPENSES	62.39%	64.26%	77.41%	44.90%	53.38%
DEPRECIATION & AMORTIZATION EXPENSES	7.28%	8.89%	11.85%	8.84%	8.34%
TAXES OTHER THAN INCOME	13.88%	12.38%	10.36%	10.47%	11.31%
INCOME TAXES	3.50%	0.00%	2.54%	11.97%	8.08%
TOTAL OPERATING EXPENSES	87.05%	85.53%	102.15%	76.18%	81.60%
UTILITY OPERATING INCOME (LOSS)	12.95%	14.47%	-2.15%	23.82%	18.40%

CLASS A & B WATER UTILITIES
PLANT STATISTICS AND RELATED INFORMATION
DECEMBER 31, 1986

	HARBOR WATER COMPANY, INC.	RICHARDSON WATER COMPANIES	SOUTH SOUND UTILITY COMPANY, INC.	SPOKANE SUBURBAN WATER CO.	TOTAL A & B WATER UTILITIES
CUSTOMERS:					
RESIDENTIAL-ANNUAL AVERAGE	3,346	N/A	1,322	6,846	11,514
COMMERCIAL-ANNUAL AVERAGE	0	N/A	75	277	352
INDUSTRIAL-ANNUAL AVERAGE	0	N/A	0	12	12
OTHERS-ANNUAL AVERAGE	0	N/A	48	21	69
TOTAL CUSTOMERS	3,346	N/A	1,445	7,156	11,947
OTHER STATISTICS:					TOTAL AVERAGE A & B WATER UTILITIES
NO. OF WELLS	87	54	47	29	54
CAPACITY OF PUMPS -- (GPM)	5,318	N/A	5,731	17,615	9,555
CAPACITY OF RESERVOIRS OR TANKS (GALLONS)	1,832,800	N/A	398,742	4,869,000	2,366,847
AVG. ANNUAL RESIDENTIAL USE PER 1,000 GAL.	101.00	N/A	115.47	39.62	85.36
AVG. ANNUAL RESIDENTIAL COST PER 1,000 GAL.	$1.74	N/A	$1.94	$7.28	$3.65
AVERAGE RESIDENTIAL MONTHLY BILL	$14.69	N/A	$18.00	$24.06	$18.92
GROSS PLANT INVESTMENT PER CUSTOMER	$284.51	N/A	$481.00	$671.00	$478.84

N/A=NOT AVAILABLE

Appendix 2: Financial Statements of Class C Companies

Class	Name of Water Company
C	Sound Water Company, Incorporated
C	North Bainbridge Water Company
C	Alderton-Mcmillin Water Supply, Inc.
C	South Bainbridge Water System, Inc.,
C	West Pasco Water System Inc.,
C	Mirrormont Services, Inc.
C	Ludlow Utilities Company
C	Alderbrook Water Company, Inc.
C	Harrison-Ray Water Company, Inc.
C	El Rancho Water Company, Inc.
C	Sanderson & Associates, Incorporated
C	Stroh Water Co.
C	Pattison Water Company
C	Basin Water Sources, Inc.
C	Pacific Beach Water, Inc.
C	Frog Pond Waters, Inc.
C	H2O Company, The
C	Burton Water Company
C	Solmar Water System, Inc.
C	Indian Springs Water Company
C	Evergreen Land & Water, Inc.
C	Island Lake Water Company
C	Kala Point Utility Company
C	Dishman Water Company, Inc.
C	Whidbey West
C	W. B. Water Works
C	Saratoga Water, Inc.
C	Lara Lee, Inc.
C	Raft Island Water Company
C	Boston Harbor Water Systems Corporation
C	Oak Park Water Company, Inc., The
C	Lakeland Village Water Company, Inc.
C	North Woodland Water System, Inc.
C	Sea View Water Company
C	Dawn Park Water, Inc.
C	W.Main Corporation, The -Utilities Divn.
C	Diamond Point Water Company
C	Admiral's Cove, Inc.
C	Little Spokane River Water System, Inc.
C	Crosswoods Water Company, Inc.
C	Westbourne Acres Water Corporation
C	View Royal Water Company
C	Rivervale Water Company
C	Alderwood Estates Water, Inc.
C	Terraced Estates Water Co.
C	Desert Water Company
C	Point Fosdick Water Co., Inc.
C	Marvin Road Water Company

CLASS A & B WATER UTILITIES
DEPRECIATION RESERVE SCHEDULE
BALANCE END-OF-YEAR: DECEMBER 31, 1986

Account Description	HARBOR WATER COMPANY, INC.	RICHARDSON WATER COMPANIES	SOUTH SOUND UTILITY COMPANY, INC.	SPOKANE SUBURBAN WATER CO.	TOTAL A & B WATER UTILITIES
Structures & Improvements	$9,526	$15,459	$7,286	$35,226	$67,497
Collecting & Impounding Reservoirs	0	0	0	0	0
Lake River & Other Intakes	0	0	0	0	0
Well & Springs	37,870	34,116	18,397	20,677	111,060
Infiltration Galleries and Tunnels	0	0	0	0	0
Supply Mains	0	0	0	0	0
Power Generating Equipment	0	0	0	0	0
Pumping Equipment	76,739	31,487	(1,504)	80,523	187,245
Water Treatment Equipment	0	0	315	2,542	2,857
Distribution Reservoirs & Standpipes	61,522	44,798	6,173	51,001	163,494
Transmission & Distribution Mains	164,510	62,592	68,314	271,573	566,989
Services	54,567	2,306	17,488	64,756	139,117
Meters & Meter Installations	14,090	1,536	21,820	73,090	110,536
Hydrants	3,458	7,270	709	7,139	18,576
Other Plant and Misc.Equipment	0	0	8,781	2,232,949	2,241,730
Office Furniture and Equipment	16,804	12,635	24,606	542	54,587
Transportation Equipment	40,285	24,810	18,058	18,217	101,370
Stores Equipment	0	0	0	0	0
Tools, Shop and Garage Equipment	3,398	16,935	22,856	1,981	45,170
Laboratory Equipment	0	0	0	165	165
Power Operated Equipment	0	0	0	11,136	11,136
Communication Equipment	4,602	4,212	3,687	4,015	16,516
Miscellaneous Equipment	0	0	0	1,990	1,990
Other Tangible Plant	0	0	0	49,588	49,588
Total Depreciation Reserve	$487,371	$258,156	$216,986	$2,927,110	$3,889,623

CLASS A & B WATER UTILITIES
AVERAGE SERVICE LIFE IN YEARS AND
DEPRECIATION RATE APPLIED: DECEMBER 31, 1986

	HARBOR WATER COMPANY, INC.	RICHARDSON WATER COMPANIES	SOUTH SOUND UTILITY COMPANY, INC.	SPOKANE SUBURBAN WATER CO.	TOTAL AVERAGE A & B WATER UTILITIES
AVERAGE SERVICE LIFE IN YEARS:					
Structures & Improvements	32	N/A	50	50	44
Collecting & Impounding Reservoirs	0	N/A	0	0	0
Lake River & Other Intakes	0	N/A	0	0	0
Well & Springs	32	N/A	50	49	44
Infiltration Galleries and Tunnels	0	N/A	0	0	0
Supply Mains	0	N/A	0	0	0
Power Generating Equipment	32	N/A	0	0	32
Pumping Equipment	30	N/A	50	29	36
Water Treatment Equipment	25	N/A	50	37	37
Distribution Reservoirs & Standpipes	32	N/A	50	70	51
Transmission & Distribution Mains	30	N/A	50	45	42
Services	29	N/A	50	55	45
Meters & Meter Installations	26	N/A	25	50	34
Hydrants	32	N/A	50	44	42
Other Plant and Misc.Equipment	0	N/A	50	0	50
Office Furniture and Equipment	6	N/A	10	31	16
Transportation Equipment	7	N/A	7	4	6
Stores Equipment	0	N/A	0	0	0
Tools, Shop and Garage Equipment	6	N/A	10	35	17
Laboratory Equipment	0	N/A	0	45	45
Power Operated Equipment	0	N/A	0	7	7
Communication Equipment	10	N/A	10	11	10
Miscellaneous Equipment	0	N/A	0	5	5
Other Tangible Plant	0	N/A	0	5	5
NOTE: A "0" INDICATES NO ACTIVITY IN RELATED ACCOUNT					
DEPRECIATION RATE APPLIED:					
Structures & Improvements	3.20%	N/A	2.00%	2.00%	2.40%
Collecting & Impounding Reservoirs	0.00%	N/A	0.00%	0.00%	0.00%
Lake River & Other Intakes	0.00%	N/A	0.00%	0.00%	0.00%
Well & Springs	3.20%	N/A	2.00%	2.00%	2.40%
Infiltration Galleries and Tunnels	0.00%	N/A	0.00%	0.00%	0.00%
Supply Mains	0.00%	N/A	0.00%	0.00%	0.00%
Power Generating Equipment	3.20%	N/A	0.00%	0.00%	3.20%
Pumping Equipment	3.00%	N/A	2.00%	3.33%	2.78%
Water Treatment Equipment	2.50%	N/A	2.00%	2.71%	2.40%
Distribution Reservoirs & Standpipes	3.20%	N/A	2.00%	1.43%	2.21%
Transmission & Distribution Mains	3.00%	N/A	2.00%	2.22%	2.41%
Services	2.90%	N/A	2.00%	1.82%	2.24%
Meters & Meter Installations	2.60%	N/A	4.00%	2.00%	2.87%
Hydrants	3.20%	N/A	2.00%	2.30%	2.50%
Other Plant and Misc.Equipment	0.00%	N/A	2.00%	0.00%	2.00%
Office Furniture and Equipment	18.30%	N/A	7.00%	3.17%	9.49%
Transportation Equipment	14.40%	N/A	14.00%	20.00%	16.13%
Stores Equipment	0.00%	N/A	0.00%	0.00%	0.00%
Tools, Shop and Garage Equipment	17.40%	N/A	12.00%	2.86%	10.75%
Laboratory Equipment	0.00%	N/A	0.00%	2.22%	2.22%
Power Operated Equipment	0.00%	N/A	0.00%	14.50%	14.50%
Communication Equipment	9.70%	N/A	10.00%	9.00%	9.57%
Miscellaneous Equipment	0.00%	N/A	0.00%	20.00%	20.00%
Other Tangible Plant	0.00%	N/A	0.00%	20.00%	20.00%

CLASS A & B WATER UTILITIES
UTILITY PLANT ACCOUNTS
BALANCE END-OF-YEAR: DECEMBER 31, 1986

Account Description	HARBOR WATER COMPANY, INC.	RICHARDSON WATER COMPANIES	SOUTH SOUND UTILITY COMPANY, INC.	SPOKANE SUBURBAN WATER CO.	TOTAL A & B WATER UTILITIES
UTILITY PLANT					
Organization	$0	$0	$0	$0	$0
Franchises	5,478	0	0	0	5,478
Land and Land Rights	79,721	173,644	2,310	197,256	452,931
Structures & Improvements	251,606	87,762	47,123	367,908	754,399
Collecting & Impounding Reservoirs	0	0	0	0	0
Lake River & Other Intakes	0	0	0	0	0
Well & Springs	320,142	312,652	126,461	269,703	1,028,958
Infiltration Galleries and Tunnels	0	0	0	0	0
Supply Mains	0	0	0	0	0
Power Generating Equipment	0	0	0	0	0
Pumping Equipment	730,583	286,212	91,900	682,734	1,791,429
Water Treatment Equipment	0	0	1,621	24,552	26,173
Distribution Reservoirs & Standpipes	678,479	539,200	56,281	941,264	2,215,224
Transmission & Distribution Mains	1,790,071	1,199,338	509,781	3,509,055	7,008,245
Services	296,143	108,206	77,290	1,016,546	1,498,185
Meters & Meter Installations	85,079	58,356	76,323	1,019,476	1,239,234
Hydrants	63,298	51,935	2,024	99,862	217,119
Other Plant and Misc.Equipment	0	0	72,620	40,648	113,268
Office Furniture and Equipment	38,006	16,611	49,727	4,997	109,341
Transportation Equipment	114,848	57,990	46,363	77,210	296,411
Stores Equipment	0	0	0	0	0
Tools, Shop and Garage Equipment	8,980	21,976	36,491	24,855	92,302
Laboratory Equipment	0	0	0	1,928	1,928
Power Operated Equipment	0	0	0	34,003	34,003
Communication Equipment	9,823	4,212	4,110	13,485	31,630
Miscellaneous Equipment	0	0	0	4,534	4,534
Other Tangible Plant	0	0	0	165,278	165,278
Total Utility Plant	$4,472,257	$2,918,094	$1,200,425	$8,495,294	$17,086,070
UTILITY PLANT					
Non-Depreciable	$85,199	$173,644	$2,310	$197,256	$458,409
Depreciable	4,387,058	2,744,450	1,198,115	8,298,038	16,627,661
Total Utility Plant	$4,472,257	$2,918,094	$1,200,425	$8,495,294	$17,086,070

CLASS C WATER UTILITIES
BALANCE SHEET AND RELATED RATIOS
DECEMBER 31, 1986

BALANCE SHEET:	SOUND WATER COMPANY, INC. (1)	NORTH BAINBRIDGE WATER CO. (2)	ALDERTON-MCMILLIN WATER SUP., INC. (3)	SOUTH BAINBRIDGE WATER SYS., INC. (4)	WEST PASCO WATER SYSTEM, INC. (5)	MIRRORMONT SERVICES INC. (6)	LUDLOW UTILITIES COMPANY (7)	ALDERBROOK WATER COMPANY (8)	HARRISON-RAY WATER COMPANY, INC. (9)	EL RANCHO WATER COMPANY, INC. (10)
ASSETS:										
UTILITY PLANT:										
UTILITY PLANT IN SERVICE	$1,165,965	$579,540	$573,330	$467,980	$960,388	$591,885	$1,435,933	$331,639	$462,750	$1,114,027
CONSTRUCTION WORK IN PROGRESS	0	4,052	0	0	0	0	0	0	0	0
OTHER	0	0	0	0	0	0	0	0	1,450	0
TOTAL UTILITY PLANT	1,165,965	583,592	573,330	467,980	960,388	591,885	1,435,933	331,639	464,200	1,114,027
ACCUM.PROV. FOR DEPR. & AMORT.	95,412	267,196	114,748	110,346	197,775	231,163	262,039	121,293	132,910	211,151
NET UTILITY PLANT	1,070,553	316,396	458,583	357,634	762,613	360,722	1,173,894	210,346	331,290	902,876
CASH	13,202	18,273	2,419	7,485	21,994	2,576	2,011	45,088	2,048	423
CUSTOMER ACCOUNTS RECEIVABLE	12,187	2,421	18,103	15,250	3,281	10,243	30,236	9,348	3,270	0
OTHER ASSETS	25,183	1,186	57,123	51,988	3,903	18,510	948,874	198,220	0	0
TOTAL ASSETS	$1,121,125	$338,276	$536,227	$432,357	$791,791	$392,052	$2,155,015	$463,002	$336,608	$903,299
LIABILITIES AND CAPITAL:										
COMMON STOCK ISSUED	$13,910	$0	$50,000	$12,500	$2,400	$98,500	$500	$500	$37,071	$20,000
PREFERRED STOCK ISSUED	0	0	0	0	0	0	0	0	0	0
OTHER PAID IN CAPITAL	0	0	13,720	184,321	352,405	0	2,537,088	455,000	99,713	706,185
RETAINED EARNINGS:	0	0	0	0	0	0	0	0	0	0
APPROPRIATED	0	0	0	62,035	0	0	0	0	0	0
UNAPPROPRIATED	133,275	0	101,417	0	(795,618)	(44,435)	(577,320)	(43,736)	(39,960)	(43,717)
PROPRIETARY CAPITAL	0	212,369	0	0	0	0	0	0	0	0
TOTAL CAPITAL	147,185	212,369	165,137	258,856	(440,813)	54,065	1,960,269	411,764	96,824	682,468
LONG-TERM DEBT	16,924	0	127,946	95,511	363,500	123,223	0	51,238	202,464	189,864
ACCOUNTS PAYABLE	2,192	0	44,311	2,567	2,956	1,533	11,431	0	123	0
NOTES PAYABLE	65,000	0	0	2,205	0	0	0	0	18,400	11,054
CUSTOMER DEPOSITS	0	0	0	0	0	0	0	0	0	0
ACCRUED TAXES	0	3,315	14,626	3,353	1,918	2,258	1,092	0	575	0
OTHER LIABILITIES	32,980	0	0	54,596	193,590	6,335	107,525	0	18,222	0
ADVANCES FOR CONSTRUCTION	0	0	63,113	0	0	0	0	0	0	0
CONTR. IN AID OF CONSTRUCTION	856,844	122,592	121,094	15,269	670,641	204,637	74,699	0	0	19,913
TOTAL LIABILITIES	973,940	125,907	371,090	173,501	1,232,604	337,987	194,747	51,238	239,784	220,831
TOTAL LIABILITIES AND CAPITAL	$1,121,125	$338,276	$536,227	$432,357	$791,791	$392,052	$2,155,015	$463,002	$336,608	$903,299
RELATED RATIOS:										
RATIO OF ACCUM.PROV. FOR DEPRECIATION AND AMORTIZATION TO UTILITY PLANT IN SERVICE	8.18%	46.10%	20.01%	23.58%	20.59%	39.06%	18.25%	36.57%	28.72%	18.95%
RATIO OF L-T DEBT TO TOTAL CAPITALIZATION	10.31%	0.00%	43.66%	26.95%	-470.17%	69.50%	0.00%	11.07%	67.65%	21.77%

CLASS 'C' WATER UTILITIES
NET OPERATING INCOME STATEMENT
DECEMBER 31, 1986

	SOUND WATER COMPANY, INC. (1)	NORTH BAINBRIDGE WATER CO. (2)	ALDERTON-MCMILLIN WATER SUP., INC. (3)	SOUTH BAINBRIDGE WATER SYS., INC. (4)	WEST PASCO WATER SYSTEM, INC. (5)	MIRRORMONT SERVICES INC. (6)	LUDLOW UTILITIES COMPANY (7)	ALDERBROOK WATER COMPANY (8)	HARRISON-RAY WATER COMPANY, INC. (9)	EL RANCHO WATER COMPANY, INC. (10)
OPERATING REVENUE:										
RESIDENTIAL	$109,803	$140,702	$111,088	$82,468	$103,465	$101,750	$77,368	$46,848	$73,245	$66,978
COMMERCIAL	14,550	0	0	6,323	2,159	0	13,504	33,353	420	0
INDUSTRIAL	0	0	0	8,825	0	0	0	0	0	0
MULTIPLE FAMILY	0	0	0	9,353	0	0	0	0	0	0
OTHER	55,850	1,557	469	1,188	119	0	0	0	0	3,000
TOTAL OPERATING REVENUE	180,203	142,259	111,557	108,157	105,743	101,750	90,872	80,201	73,665	69,978
OPERATING EXPENSES:										
SALARIES AND WAGES-EMPLOYEES	0	22,679	55,845	16,530	43,519	7,419	42,034	0	18,867	604
SALARIES AND WAGES-OFFICERS & DIRECTORS	88,115	30,000	0	26,000	0	38,266	0	0	0	9,922
EMPLOYEE PENSION & BENEFITS	0	0	0	2,012	3,021	0	4,567	0	0	0
PURCHASED WATER	0	0	5,675	0	0	0	0	15,550	0	0
PURCHASED POWER	0	12,086	3,722	8,428	6,973	8,212	0	0	0	4,612
FUEL FOR POWER PRODUCTION	0	0	0	0	0	0	0	0	15,005	0
CHEMICALS	0	389	0	300	0	0	605	0	201	0
MATERIALS & SUPPLIES	27,610	8,675	2,033	7,080	3,134	8,956	5,091	8,996	4,935	1,556
CONTRACTUAL SERVICES	24,063	2,400	4,202	3,525	4,836	1,420	0	14,365	1,553	3,639
RENTS	0	3,989	3,348	5,700	3,000	243	2,158	2,272	0	6,000
TRANSPORTATION EXPENSE	1,740	3,258	3,244	6,165	5,488	0	3,783	0	163	2,490
INSURANCE EXPENSE	5,063	4,685	3,304	3,928	7,292	1,428	0	0	5,023	2,389
REGULATORY COMMISSION EXPENSES	55	0	0	0	117	103	0	0	0	0
BAD DEBT EXPENSE	0	718	0	0	0	0	0	1,535	0	0
MISCELLANEOUS EXPENSES	24,608	1,333	9,014	5,281	0	834	17,010	80	1,483	316
TOTAL OPERATION & MAINTENANCE EXPENSES	171,254	90,212	90,387	84,949	77,380	66,880	75,248	42,798	47,230	31,528
DEPRECIATION & AMORTIZATION EXPENSE	6,574	19,083	25,448	12,123	15,525	10,698	29,487	19,257	14,165	27,763
TAXES OTHER THAN INCOME	8,759	17,690	14,626	15,214	13,096	10,774	15,422	3,813	7,024	6,110
INCOME TAXES	0	0	0	0	0	0	0	0	0	0
TOTAL OPERATING EXPENSES	186,587	126,985	130,461	112,286	106,001	88,352	120,157	65,868	68,419	65,401
NET OPERATING INCOME(LOSS)	($6,384)	$15,274	($18,905)	($4,129)	($258)	$13,397	($29,285)	$14,333	$5,246	$4,577
OTHER INCOME	43,450	777	0	0	1,045	0	70,793	0	0	0
OTHER DEDUCTIONS	8,418	1,828	0	2,920	25,445	17,941	148,569	6,376	20,036	23,776
NET INCOME(LOSS)	$28,648	$14,223	($18,905)	($7,049)	($24,658)	($4,544)	($107,062)	$7,957	($14,790)	($19,199)
PERCENTAGE DISTRIBUTION OF OPERATING REVENUES:										
OPERATING AND MAINTENANCE EXPENSES	95.03%	63.41%	81.02%	78.54%	73.18%	65.73%	82.81%	53.36%	64.11%	45.05%
DEPRECIATION & AMORTIZATION EXPENSES	3.65%	13.41%	22.81%	11.21%	14.68%	10.51%	32.45%	24.01%	19.23%	39.67%
TAXES OTHER THAN INCOME	4.86%	12.44%	13.11%	14.07%	12.38%	10.59%	16.97%	4.75%	9.54%	8.73%
INCOME TAXES	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TOTAL DEDUCTIONS	103.54%	89.26%	116.95%	103.82%	100.24%	86.83%	132.23%	82.13%	92.88%	93.46%
NET OPERATING INCOME (LOSS)	-3.54%	10.74%	-16.95%	-3.82%	-0.24%	13.17%	-32.23%	17.87%	7.12%	6.54%

CLASS 'C' WATER UTILITIES
PLANT STATISTICS AND RELATED INFORMATION
DECEMBER 31, 1986

	SOUND WATER COMPANY, INC. (1)	NORTH BAINBRIDGE WATER CO. (2)	ALDERTON-MCMILLIN WATER SUP., INC. (3)	SOUTH BAINBRIDGE WATER SYS., INC. (4)	WEST PASCO WATER SYSTEM, INC. (5)	MIRRORMONT SERVICES INC. (6)	LUDLOW UTILITIES COMPANY (7)	ALDERBROOK WATER COMPANY (8)	HARRISON-RAY WATER COMPANY, INC. (9)	EL RANCHO WATER COMPANY, INC. (10)
CUSTOMERS:										
METERED CUSTOMERS	425	898	404	360	626	601	487	133	0	259
UNMETERED CUSTOMERS	165	1	118	2	0	7	0	559	207	0
TOTAL CUSTOMERS	590	899	522	362	626	608	487	692	207	259
OTHER STATISTICS:										
NO. OF WELLS	4	8	4	4	4	5	4	3	3	2
CAPACITY OF PUMPS -- (GPM)	465	745	1,239	310	2,250	600	460	900	3,000	648
CAPACITY OF RESERVOIRS OR TANKS (GALLONS)	238,000	480,000	313,000	215,000	35,000	330,450	675,000	200,000	85,000	435,000

CLASS 'C' WATER UTILITIES
ACCUMULATED DEPRECIATION SCHEDULE
BALANCE END-OF-YEAR: DECEMBER 31, 1986

Account Description	SOUND WATER COMPANY, INC. (1)	NORTH BAINBRIDGE WATER CO. (2)	ALDERTON-MCMILLIN WATER SUP., INC. (3)	SOUTH BAINBRIDGE WATER SYS., INC. (4)	WEST PASCO WATER SYSTEM, INC. (5)	MIRRORMONT SERVICES INC. (6)	LUDLOW UTILITIES COMPANY (7)	ALDERBROOK WATER COMPANY (8)	HARRISON-RAY WATER COMPANY, INC. (9)	EL RANCHO WATER COMPANY, INC. (10)
Structures & Improvements	$2,676	$48,951	$253	$3,199	$15,955	$0	$8,440	$5,480	$7,652	$8,275
Collecting & Impounding Reservoirs	0	0	0	1,830	0	0	0	0	0	0
Lake River & Other Intakes	0	0	0	0	0	0	0	0	0	0
Well & Springs	15,452	2,084	5,249	2,765	19,642	20,770	38,357	13,554	31,973	32,940
Supply Mains	0	0	0	420	0	0	0	0	0	0
Power Generating Equipment	0	0	0	0	0	0	0	0	0	0
Pumping Equipment	13,008	23,526	5,702	6,313	0	7,798	8	26,891	39,486	20,136
Water Treatment Equipment	0	22	15	0	75	0	0	0	0	0
Distribution Reservoirs & Standpipes	0	13	2,564	11,446	4,347	35,532	44,867	8,748	0	28,667
Trans. & Dist. Mains	57,357	133,398	76,982	63,449	105,366	145,630	165,182	38,448	42,658	110,091
Services	0	18,180	9,623	6,464	22,493	7,208	0	14,332	0	0
Meter & Meter Installations	0	20,897	967	3,574	9,118	11,290	0	2,912	0	4,013
Hydrants	4,375	2,713	184	2,491	7,363	1,221	50	10,928	0	0
Other Plant and Misc.Equipment	0	0	0	0	0	0	5,114	0	0	0
Office Furniture and Equipment	732	208	2,417	968	3,283	1,715	0	0	0	284
Transportation Equipment	0	14,156	7,506	6,300	7,539	0	0	0	0	34
Tools, Shop and Garage Equipment	0	2,339	204	0	1,810	0	21	0	11,141	0
Power Operated Equipment	0	0	0	1,127	0	0	0	0	0	0
Other Tangible Plant	1,812	709	0	0	553	0	0	0	0	6,711
Total Accumulated Depreciation	$95,412	$267,196	$111,668	$110,346	$197,545	$231,163	$262,039	$121,293	$132,910	$211,151

CLASS 'C' WATER UTILITIES
AVERAGE SERVICE LIFE IN YEARS AND
DEPRECIATION RATE APPLIED: DECEMBER 31, 1986

Account Description	SOUND WATER COMPANY, INC. (1)	NORTH BAINBRIDGE WATER CO. (2)	ALDERTON-MCMILLIN WATER SUP., INC. (3)	SOUTH BAINBRIDGE WATER SYS., INC. (4)	WEST PASCO WATER SYSTEM, INC. (5)	MIRRORMONT SERVICES INC. (6)	LUDLOW UTILITIES COMPANY (7)	ALDERBROOK WATER COMPANY (8)	HARRISON-RAY WATER COMPANY, INC. (9)	EL RANCHO WATER COMPANY, INC. (10)
AVERAGE SERVICE LIFE IN YEARS										
Structures & Improvements	35	30	35	40	40	0	40	40	35	35
Collecting & Impounding Reservoirs	0	0	0	40	0	0	0	0	0	0
Lake River & Other Intakes	0	0	0	0	0	0	0	0	0	0
Well & Springs	50	15	25	40	35	20	35	33	25	25
Supply Mains	0	0	0	40	0	0	0	0	0	0
Power Generating Equipment	0	0	0	0	0	0	0	0	0	0
Pumping Equipment	20	10	20	40	20	20	20	20	25	20
Water Treatment Equipment	0	20	20	40	35	0	0	0	0	0
Distribution Reservoirs & Standpipes	0	30	30	40	60	20	50	50	0	30
Trans. & Dist. Mains	50	30	50	40	75	40	45	40	50	50
Services	0	30	30	40	50	40	0	40	0	0
Meter & Meter Installations	0	30	35	40	45	40	45	40	0	35
Hydrants	40	20	40	40	60	40	50	40	0	0
Other Plant and Misc.Equipment	0	0	0	40	0	0	40	0	0	0
Office Furniture and Equipment	10	10	20	6	25	5	0	0	0	20
Transportation Equipment	0	5	7	7	7	0	0	0	0	7
Tools, Shop and Garage Equipment	0	10	15	0	20	0	20	0	15	0
Power Operated Equipment	0	0	0	7	0	0	0	0	0	0
Other Tangible Plant	10	20	0	0	10	0	0	0	0	35
NOTE: A "0" INDICATES NO ACTIVITY IN RELATED ACCOUNT										
DEPRECIATION RATE APPLIED										
Structures & Improvements	2.80%	3.33%	2.90%	2.50%	2.50%	0.00%	2.50%	2.50%	2.86%	2.86%
Collecting & Impounding Reservoirs	0.00%	0.00%	0.00%	2.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Lake River & Other Intakes	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Well & Springs	2.00%	6.67%	4.00%	2.50%	2.90%	5.00%	2.86%	3.00%	4.00%	4.00%
Supply Mains	0.00%	0.00%	0.00%	2.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Power Generating Equipment	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Pumping Equipment	5.00%	10.00%	5.00%	2.50%	5.00%	5.00%	5.00%	5.00%	4.00%	5.00%
Water Treatment Equipment	0.00%	5.00%	5.00%	2.50%	2.90%	0.00%	0.00%	0.00%	0.00%	0.00%
Distribution Reservoirs & Standpipes	0.00%	3.33%	3.30%	2.50%	1.70%	5.00%	2.00%	2.00%	0.00%	3.33%
Trans. & Dist. Mains	2.00%	3.33%	2.00%	2.50%	1.30%	2.50%	2.22%	2.50%	2.00%	2.00%
Services	0.00%	3.33%	3.30%	2.50%	2.00%	2.50%	0.00%	2.50%	0.00%	0.00%
Meter & Meter Installations	0.00%	3.33%	2.60%	2.50%	2.00%	2.50%	2.22%	2.50%	0.00%	2.86%
Hydrants	2.50%	5.00%	2.40%	2.50%	1.60%	2.50%	2.00%	2.50%	0.00%	0.00%
Other Plant and Misc.Equipment	0.00%	0.00%	0.00%	2.50%	0.00%	0.00%	2.50%	0.00%	0.00%	0.00%
Office Furniture and Equipment	10.00%	10.00%	4.75%	16.00%	3.80%	20.00%	0.00%	0.00%	0.00%	5.00%
Transportation Equipment	0.00%	20.00%	12.90%	13.00%	12.90%	0.00%	0.00%	0.00%	0.00%	14.29%
Tools, Shop and Garage Equipment	0.00%	10.00%	6.30%	0.00%	4.80%	0.00%	5.00%	0.00%	6.67%	0.00%
Power Operated Equipment	0.00%	0.00%	0.00%	13.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other Tangible Plant	10.00%	5.00%	0.00%	0.00%	9.00%	0.00%	0.00%	0.00%	0.00%	2.86%

CLASS 'C' WATER UTILITIES
UTILITY PLANT ACCOUNTS:
BALANCE END-OF-YEAR: DECEMBER 31, 1986

Account Description	SOUND WATER COMPANY,INC. (1)	NORTH BAINBRIDGE WATER CO. (2)	ALDERTON-MCMILLIN WATER SUP.,INC. (3)	SOUTH BAINBRIDGE WATER SYS.,INC. (4)	WEST PASCO WATER SYSTEM,INC. (5)	MIRRORMONT SERVICES INC. (6)	LUDLOW UTILITIES COMPANY (7)	ALDERBROOK WATER COMPANY (8)	HARRISON-RAY WATER COMPANY, INC. (9)	EL RANCHO WATER COMPANY, INC. (10)
UTILITY PLANT										
Organization	$0	$10,747	$515	$643	$0	$0	$0	$0	$0	$0
Franchises	0	0	1,417	0	500	0	0	0	0	0
Land and Land Rights	22,000	2,471	17,255	20,700	15,058	28,353	0	0	1,450	0
Structures and Improvements	47,780	102,303	4,544	13,606	41,371	0	213,760	14,685	23,874	35,100
Collecting and Impounding Reservoirs	0	0	0	9,060	1,117	0	0	0	0	0
Lake River and Other Intakes	0	0	0	17,116	0	0	0	0	0	0
Wells and Springs	138,055	26,873	70,919	1,120	49,880	51,299	219,624	64,635	87,615	91,500
Supply Mains	0	0	0	0	0	0	0	0	0	0
Power Generation Equipment	0	0	0	0	511	0	0	0	0	0
Pumping Equipment	63,296	47,178	64,177	31,376	0	15,112	2,165	41,527	107,960	52,585
Water Treatment Equipment	0	5,346	150	0	186	0	0	0	0	0
Distribution Reservoirs and Standpipes	0	4,776	53,734	45,642	10,664	75,616	293,918	24,990	0	117,000
Transmission and Distribution Mains	861,354	254,182	274,325	260,496	617,748	337,445	671,842	94,343	226,269	763,260
Services	0	61,134	37,943	25,345	104,507	30,200	0	32,758	0	0
Meters and Meter Installations	0	30,347	20,028	14,321	55,593	47,301	4,740	33,717	0	21,880
Hydrants	25,000	7,338	11,982	9,998	41,412	3,640	1,500	24,984	0	0
Other Plant and Misc. Equipment	0	4,052	0	0	0	0	27,742	0	0	0
Office Furniture and Equipment	2,436	208	5,648	2,314	9,629	2,920	0	0	0	2,937
Transportation Equipment	0	21,974	9,506	6,300	7,963	0	0	0	0	165
Tools, Shop and Garage Equipment	0	3,954	1,188	0	3,633	0	642	0	17,032	0
Power Operated Equipment	0	0	0	9,943	0	0	0	0	0	0
Other Tangible Plant	6,044	709	0	0	615	0	0	0	0	29,600
Total Utility Plant	$1,165,965	$583,592	$573,330	$467,980	$960,388	$591,885	$1,435,933	$331,639	$464,200	$1,114,027
UTILITY PLANT										
Non-Depreciable	$22,000	$13,218	$19,187	$21,343	$15,558	$28,353	$0	$0	$1,450	$0
Depreciable	1,143,965	570,374	554,143	446,637	944,829	563,532	1,435,933	331,639	462,750	1,114,027
Total Utility Plant	$1,165,965	$583,592	$573,330	$467,980	$960,388	$591,885	$1,435,933	$331,639	$464,200	$1,114,027

CLASS C WATER UTILITIES
BALANCE SHEET AND RELATED RATIOS
DECEMBER 31, 1986

BALANCE SHEET:	STROH WATER COMPANY (11)	PATTISON WATER COMPANY (12)	BASIN WATER SOURCES, INC. (13)	PACIFIC BEACH WATER, INC. (14)	FROG POND WATERS INC. (15)	THE H2O COMPANY (16)	BURTON WATER COMPANY (17)	SOLMAR WATER SYSTEMS, INC. (18)	INDIAN SPRINGS WATER CO. (19)	EVERGREEN LAND & WATER INC. (20)
ASSETS:										
UTILITY PLANT:										
UTILITY PLANT IN SERVICE	$274,119	$573,370	$97,943	$263,641	$240,165	$273,249	$135,497	$159,785	$488,211	$180,447
CONSTRUCTION WORK IN PROGRESS	0	0	0	0	0	0	0	0	0	0
OTHER	0	0	0	0	11,443	0	0	0	0	0
TOTAL UTILITY PLANT	274,119	573,370	97,943	263,641	251,608	273,249	135,497	159,785	488,211	180,447
ACCUM.PROV. FOR DEPR. & AMORT.	75,431	114,443	65,304	124,959	14,780	68,636	50,927	5,343	24,250	55,682
NET UTILITY PLANT	198,688	458,927	32,639	138,682	236,828	204,613	84,570	154,442	463,961	124,765
CASH	3,161	21,469	7,694	1,173	651	0	1,995	2,707	8,727	556
CUSTOMER ACCOUNTS RECEIVABLE	0	0	1,215	1,790	8,029	0	0	0	3,733	1,121
OTHER ASSETS	0	0	0	34,563	347	5,620	300	0	998	7,555
TOTAL ASSETS	$201,849	$480,396	$41,548	$176,208	$245,855	$210,233	$86,865	$157,149	$477,419	$133,997
LIABILITIES AND CAPITAL:										
COMMON STOCK ISSUED	$0	$47,300	$302	$10,076	$1,000	$0	$0	$500	$600	$1,200
PREFERRED STOCK ISSUED	0	0	0	0	0	0	0	0	0	0
OTHER PAID IN CAPITAL	0	204,927	977	0	0	0	0	1,500	0	0
RETAINED EARNINGS:	0	0	0	0	0	0	0	0	0	0
APPROPRIATED	0	0	0	0	0	0	0	(3,351)	0	0
UNAPPROPRIATED	0	(48,913)	24,717	(36,371)	(77,750)	0	0	0	(7,785)	114,054
PROPRIETARY CAPITAL	106,878	0	0	0	0	21,607	69,620	0	0	0
TOTAL CAPITAL	106,878	203,314	25,996	(26,295)	(76,750)	21,607	69,620	(1,351)	(7,185)	115,254
LONG-TERM DEBT	0	18,849	0	54,821	0	53,834	0	157,931	74,416	3,151
ACCOUNTS PAYABLE	998	66,354	0	39,526	0	237	0	0	2,466	10,400
NOTES PAYABLE	0	0	4,000	27,616	113,044	0	0	13	0	0
CUSTOMER DEPOSITS	0	0	0	2,683	0	2,555	0	0	0	94
ACCRUED TAXES	0	1,155	1,285	7,280	703	390	0	556	448	0
OTHER LIABILITIES	0	1,908	30	17,140	370	0	0	0	4,292	748
ADVANCES FOR CONSTRUCTION	0	0	0	33,359	0	0	0	0	0	0
CONTR. IN AID OF CONSTRUCTION	93,973	188,816	10,237	20,078	208,488	131,610	17,245	0	402,982	4,350
TOTAL LIABILITIES	94,971	277,082	15,552	202,503	322,605	188,626	17,245	158,500	484,604	18,743
TOTAL LIABILITIES AND CAPITAL	$201,849	$480,396	$41,548	$176,208	$245,855	$210,233	$86,865	$157,149	$477,419	$133,997
RELATED RATIOS:										
RATIO OF ACCUM.PROV. FOR DEPRECIATION AND AMORTIZATION TO UTILITY PLANT IN SERVICE	27.52%	19.96%	66.68%	47.40%	6.15%	25.12%	37.59%	3.34%	4.97%	30.86%
RATIO OF L-T DEBT TO TOTAL CAPITALIZATION	0.00%	8.48%	0.00%	192.18%	0.00%	71.36%	0.00%	100.86%	110.69%	2.66%

CLASS 'C' WATER UTILITIES
NET OPERATING INCOME STATEMENT
DECEMBER 31, 1986

	STROH WATER COMPANY (11)	PATTISON WATER COMPANY (12)	BASIN WATER SOURCES, INC. (13)	PACIFIC BEACH WATER, INC. (14)	FROG POND WATERS INC. (15)	THE H2O COMPANY (16)	BURTON WATER COMPANY (17)	SOLMAR WATER SYSTEMS, INC. (18)	INDIAN SPRINGS WATER CO. (19)	EVERGREEN LAND & WATER INC. (20)
OPERATING REVENUE:										
RESIDENTIAL	$54,208	$53,704	$42,647	$51,201	$45,925	$41,916	$39,697	$39,588	$37,705	$34,536
COMMERCIAL	0	0	436	0	0	0	0	0	777	0
INDUSTRIAL	0	0	0	0	0	0	0	0	0	0
MULTIPLE FAMILY	0	0	4,873	0	0	0	0	0	0	0
OTHER	0	0	3,939	0	0	0	0	0	709	0
TOTAL OPERATING REVENUE	54,208	53,704	51,895	51,201	45,925	41,916	39,697	39,588	39,191	34,536
OPERATING EXPENSES:										
SALARIES AND WAGES-EMPLOYEES	9,667	711	0	13,200	16,783	0	4,200	0	0	195
SALARIES AND WAGES-OFFICERS & DIRECTORS	0	19,245	18,400	10,000	0	0	10,650	0	0	2,050
EMPLOYEE PENSION & BENEFITS	1,270	0	2,030	0	0	0	0	0	0	0
PURCHASED WATER	0	0	0	0	0	0	0	0	0	0
PURCHASED POWER	7,489	5,893	3,682	3,921	5,694	2,472	900	3,238	1,585	5,445
FUEL FOR POWER PRODUCTION	0	0	0	0	0	0	0	0	0	0
CHEMICALS	0	281	0	5,149	0	0	250	0	0	0
MATERIALS & SUPPLIES	3,859	1,498	1,173	3,291	1,388	0	3,225	2,302	1,620	0
CONTRACTUAL SERVICES	9,238	8,234	9,670	4,636	32,579	370	0	5,758	19,114	10,532
RENTS	0	675	2,400	900	0	0	1,000	540	0	0
TRANSPORTATION EXPENSE	3,609	2,042	0	0	2,233	567	1,000	140	0	195
INSURANCE EXPENSE	5,941	1,555	3,040	6,973	1,432	1,613	1,540	1,229	2,401	2,033
REGULATORY COMMISSION EXPENSES	1,025	0	0	89	0	52	35	0	240	36
BAD DEBT EXPENSE	0	0	0	260	1,118	0	0	0	0	44
MISCELLANEOUS EXPENSES	6,651	665	1,498	4,321	1,388	6,418	200	1,110	707	0
TOTAL OPERATION & MAINTENANCE EXPENSES	48,749	40,799	41,893	52,739	62,615	11,492	23,000	14,317	25,667	20,530
DEPRECIATION & AMORTIZATION EXPENSE	8,251	18,039	2,229	4,938	5,360	7,337	3,135	5,343	3,435	4,326
TAXES OTHER THAN INCOME	7,708	3,952	6,370	8,369	4,312	4,180	3,231	2,111	6,429	2,156
INCOME TAXES	0	0	0	0	0	0	807	0	(207)	0
TOTAL OPERATING EXPENSES	64,708	62,790	50,492	66,046	72,287	23,009	30,223	21,771	35,324	27,012
NET OPERATING INCOME(LOSS)	($10,500)	($9,086)	$1,403	($14,844)	($26,362)	$18,907	$9,474	$17,817	$3,867	$7,524
OTHER INCOME	0	675	0	0	396	0	0	0	156	0
OTHER DEDUCTIONS	0	2,665	534	7,955	6,446	6,887	0	21,168	7,167	98
NET INCOME(LOSS)	($10,500)	($11,076)	$869	($22,799)	($32,412)	$12,020	$9,474	($3,351)	($3,144)	$7,426
PERCENTAGE DISTRIBUTION OF OPERATING REVENUES:										
OPERATING AND MAINTENANCE EXPENSES	89.93%	75.97%	80.73%	103.00%	136.34%	27.42%	57.94%	36.16%	65.49%	59.65%
DEPRECIATION & AMORTIZATION EXPENSES	15.22%	33.59%	4.30%	9.64%	11.67%	17.50%	7.90%	13.50%	8.76%	12.53%
TAXES OTHER THAN INCOME	14.22%	7.36%	12.27%	16.35%	9.39%	9.97%	8.27%	5.33%	16.40%	6.24%
INCOME TAXES	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	2.03%	0.00%	-0.53%	0.00%
TOTAL DEDUCTIONS	119.37%	116.92%	97.30%	128.99%	157.40%	54.89%	76.13%	54.99%	90.13%	78.21%
NET OPERATING INCOME (LOSS)	-19.37%	-16.92%	2.70%	-28.99%	-57.40%	45.11%	23.87%	45.01%	9.87%	21.79%

CLASS 'C' WATER UTILITIES
PLANT STATISTICS AND RELATED INFORMATION
DECEMBER 31, 1986

	STROH WATER COMPANY (11)	PATTISON WATER COMPANY (12)	BASIN WATER SOURCES, INC. (13)	PACIFIC BEACH WATER, INC. (14)	FROG POND WATERS INC. (15)	THE H2O COMPANY (16)	BURTON WATER COMPANY (17)	SOLMAR WATER SYSTEMS, INC. (18)	INDIAN SPRINGS WATER CO. (19)	EVERGREEN LAND & WATER INC. (20)
CUSTOMERS:										
METERED CUSTOMERS	324	287	0	356	0	0	256	14	218	122
UNMETERED CUSTOMERS	0	0	268	0	347	300	96	230	0	69
TOTAL CUSTOMERS	324	287	268	356	347	300	352	244	218	191
OTHER STATISTICS:										
NO. OF WELLS	4	5	2	3	5	4	4	2	4	7
CAPACITY OF PUMPS -- (GPM)	420	518	925	560	303	1,650	160	459	244	271
CAPACITY OF RESERVOIRS OR TANKS (GALLONS)	130,000	104,200	9,000	170,000	135,000	28,000	167,800	70,000	155,000	980

CLASS 'C' WATER UTILITIES
ACCUMULATED DEPRECIATION SCHEDULE
BALANCE END-OF-YEAR: DECEMBER 31, 1986

Account Description	STROH WATER COMPANY (11)	PATTISON WATER COMPANY (12)	BASIN WATER SOURCES, INC. (13)	PACIFIC BEACH WATER, INC. (14)	FROG POND WATERS INC. (15)	THE H2O COMPANY (16)	BURTON WATER COMPANY (17)	SOLMAR WATER SYSTEMS, INC. (18)	INDIAN SPRINGS WATER CO. (19)	EVERGREEN LAND & WATER INC. (20)
Structures & Improvements	$4,780	$10,228	$5,994	$75,334	$200	$1,632	$3,485	$0	$289	$4,494
Collecting & Impounding Reservoirs	0	0	0	0	0	0	0	0	0	0
Lake River & Other Intakes	0	0	0	0	0	0	0	0	0	0
Well & Springs	6,776	6,822	20,987	0	0	3,562	8,954	0	0	9,038
Supply Mains	12,239	0	0	0	0	0	0	0	0	0
Power Generating Equipment	0	0	0	0	0	0	0	0	0	0
Pumping Equipment	295	5,866	6,748	11,976	2,198	3,054	1,589	1,750	768	11,900
Water Treatment Equipment	0	0	0	7,688	0	0	147	0	0	412
Distribution Reservoirs & Standpipes	0	14,424	0	0	0	2,422	0	1,167	10,741	2,672
Trans. & Dist. Mains	13,394	47,416	18,353	26,321	0	29,551	31,270	2,426	1,782	18,106
Services	0	6,595	7,792	0	0	0	2,125	0	8,160	1,200
Meter & Meter Installations	0	1,481	0	70	0	0	1,394	0	871	1,949
Hydrants	581	0	3,262	0	0	0	372	0	32	0
Other Plant and Misc.Equipment	0	0	1,094	0	12,286	0	1,186	0	0	0
Office Furniture and Equipment	3,169	0	347	529	0	1,862	232	0	261	317
Transportation Equipment	34,146	21,591	0	1,346	0	0	0	0	0	814
Tools, Shop and Garage Equipment	0	20	475	1,695	0	0	173	0	897	1,734
Power Operated Equipment	0	0	0	0	0	0	0	0	0	2,563
Other Tangible Plant	51	0	253	0	96	26,553	0	0	0	483
Total Accumulated Depreciation	$75,431	$114,443	$65,305	$124,959	$14,780	$68,636	$50,927	$5,343	$23,801	$55,682

CLASS 'C' WATER UTILITIES
AVERAGE SERVICE LIFE IN YEARS AND
DEPRECIATION RATE APPLIED: DECEMBER 31, 1986

Account Description	STROH WATER COMPANY (11)	PATTISON WATER COMPANY (12)	BASIN WATER SOURCES, INC. (13)	PACIFIC BEACH WATER, INC. (14)	FROG POND WATERS INC. (15)	THE H2O COMPANY (16)	BURTON WATER COMPANY (17)	SOLMAR WATER SYSTEMS, INC. (18)	INDIAN SPRINGS WATER CO. (19)	EVERGREEN LAND & WATER INC. (20)
AVERAGE SERVICE LIFE IN YEARS										
Structures & Improvements	42	20	33	33	50	15	33	0	35	40
Collecting & Impounding Reservoirs	0	0	0	0	0	0	0	0	0	0
Lake River & Other Intakes	0	0	0	0	0	0	0	0	0	0
Well & Springs	40	33	33	0	0	15	25	0	0	30
Supply Mains	45	0	0	0	0	0	0	0	0	0
Power Generating Equipment	25	0	0	0	0	0	0	0	0	0
Pumping Equipment	0	20	33	33	50	15	33	5	20	20
Water Treatment Equipment	0	0	0	33	0	0	25	0	0	25
Distribution Reservoirs & Standpipes	0	33	0	0	0	15	0	30	30	50
Trans. & Dist. Mains	48	33	60	40	0	15	50	30	50	50
Services	0	33	40	0	0	0	40	0	30	40
Meter & Meter Installations	0	33	0	33	0	0	33	0	40	50
Hydrants	43	0	50	0	0	0	50	0	40	0
Other Plant and Misc.Equipment	0	0	10	0	50	0	25	20	0	0
Office Furniture and Equipment	9	0	0	20	0	5	25	0	20	25
Transportation Equipment	8	6	0	10	0	0	0	0	0	10
Tools, Shop and Garage Equipment	0	6	20	10	0	0	33	0	15	20
Power Operated Equipment	0	0	0	0	0	0	0	0	0	15
Other Tangible Plant	0	0	33	0	50	0	0	0	0	40
DEPRECIATION RATE APPLIED										
Structures & Improvements	2.40%	5.00%	3.00%	3.00%	2.00%	6.67%	3.00%	0.00%	2.86%	2.50%
Collecting & Impounding Reservoirs	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Lake River & Other Intakes	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Well & Springs	2.50%	3.00%	3.00%	0.00%	0.00%	6.67%	4.00%	0.00%	0.00%	3.33%
Supply Mains	2.20%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Power Generating Equipment	4.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Pumping Equipment	0.00%	5.00%	3.00%	3.00%	2.00%	6.67%	3.00%	20.00%	5.00%	5.00%
Water Treatment Equipment	0.00%	0.00%	0.00%	3.00%	0.00%	0.00%	4.00%	0.00%	0.00%	4.00%
Distribution Reservoirs & Standpipes	0.00%	3.00%	0.00%	0.00%	0.00%	6.67%	0.00%	3.30%	3.33%	2.00%
Trans. & Dist. Mains	2.00%	3.00%	1.67%	2.50%	0.00%	6.67%	2.00%	3.30%	2.00%	2.00%
Services	0.00%	3.00%	2.50%	0.00%	0.00%	0.00%	2.50%	0.00%	3.33%	2.50%
Meter & Meter Installations	0.00%	3.00%	0.00%	3.00%	0.00%	0.00%	3.00%	0.00%	2.50%	2.00%
Hydrants	2.00%	0.00%	2.00%	0.00%	0.00%	0.00%	2.00%	0.00%	2.50%	0.00%
Other Plant and Misc.Equipment	0.00%	0.00%	9.00%	0.00%	2.00%	0.00%	4.00%	5.00%	0.00%	0.00%
Office Furniture and Equipment	13.30%	0.00%	0.00%	5.00%	0.00%	20.00%	4.00%	0.00%	5.00%	4.45%
Transportation Equipment	6.70%	15.00%	0.00%	10.00%	0.00%	0.00%	0.00%	0.00%	0.00%	10.00%
Tools, Shop and Garage Equipment	0.00%	15.00%	4.75%	10.00%	0.00%	0.00%	3.00%	0.00%	6.67%	5.00%
Power Operated Equipment	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	6.67%
Other Tangible Plant	0.00%	0.00%	3.00%	0.00%	2.00%	0.00%	0.00%	0.00%	0.00%	3.30%

CLASS 'C' WATER UTILITIES
UTILITY PLANT ACCOUNTS:
BALANCE END-OF-YEAR: DECEMBER 31, 1986

Account Description	STROH WATER COMPANY (11)	PATTISON WATER COMPANY (12)	BASIN WATER SOURCES, INC. (13)	PACIFIC BEACH WATER, INC. (14)	FROG POND WATERS INC. (15)	THE H2O COMPANY (16)	BURTON WATER COMPANY (17)	SOLMAR WATER SYSTEMS, INC. (18)	INDIAN SPRINGS WATER CO. (19)	EVERGREEN LAND & WATER INC. (20)
UTILITY PLANT										
Organization	$0	$0	$0	$0	$3,235	$0	$0	$0	$449	$1,372
Franchises	0	0	0	0	0	0	0	0	0	216
Land and Land Rights	27,500	30,500	600	8,801	8,208	9,972	4,916	32,000	10,466	468
Structures and Improvements	17,655	18,632	8,000	138,927	1,052	4,069	6,053	0	6,628	14,669
Collecting and Impounding Reservoirs	0	0	0	0	0	0	0	0	0	0
Lake River and Other Intakes	0	0	0	0	0	0	0	0	0	0
Wells and Springs	43,257	17,286	27,638	0	0	7,829	19,374	0	33,804	21,681
Supply Mains	41,297	0	0	0	0	0	0	0	0	90
Power Generation Equipment	0	0	0	0	0	0	0	0	0	0
Pumping Equipment	747	11,419	8,274	11,976	10,145	6,711	2,354	20,000	15,859	23,063
Water Treatment Equipment	0	0	0	26,535	0	0	479	0	0	912
Distribution Reservoirs and Standpipes	0	50,880	0	0	0	4,302	0	35,000	62,129	14,335
Transmission and Distribution Mains	78,860	231,866	35,764	68,683	0	64,962	79,674	72,785	277,369	63,800
Services	0	152,197	10,185	0	0	0	5,000	0	59,328	9,065
Meters and Meter Installations	0	36,619	0	4,644	0	0	7,519	0	13,056	13,127
Hydrants	13,298	0	4,297	0	0	0	2,000	0	7,354	0
Other Plant and Misc. Equipment	0	0	1,365	0	228,168	0	6,000	0	0	200
Office Furniture and Equipment	7,635	0	347	546	0	3,239	1,128	0	368	1,209
Transportation Equipment	43,870	23,700	0	1,835	0	0	0	0	0	1,777
Tools, Shop and Garage Equipment	0	271	623	1,695	0	0	1,000	0	1,401	3,331
Power Operated Equipment	0	0	0	0	0	0	0	0	0	3,500
Other Tangible Plant	0	0	850	0	800	172,165	0	0	0	7,632
Total Utility Plant	$274,119	$573,370	$97,943	$263,641	$251,608	$273,249	$135,497	$159,785	$488,211	$180,447
UTILITY PLANT										
Non-Depreciable	$27,500	$30,500	$600	$8,801	$11,443	$9,972	$4,916	$32,000	$10,915	$2,056
Depreciable	246,619	542,870	97,343	254,840	240,165	263,277	130,581	127,785	477,296	178,391
Total Utility Plant	$274,119	$573,370	$97,943	$263,641	$251,608	$273,249	$135,497	$159,785	$488,211	$180,447

CLASS C WATER UTILITIES
BALANCE SHEET AND RELATED RATIOS
DECEMBER 31, 1986

BALANCE SHEET:	ISLAND LAKE WATER CO. (21)	KALA POINT UTILITY CO. (22)	DISHMAN WATER COMPANY, INC. (23)	W. B. WATER WORKS (24)	SARATOGA WATER, INC. (25)	LARA LEE INC. (26)	RAFT ISLAND WATER CO. (27)	BOSTON HARBOR WATER SYSTEMS CORP. (28)	THE OAK PARK WATER COMPANY, INC. (29)	LAKELAND VILLAGE WATER CO., INC. (30)
ASSETS:										
UTILITY PLANT:										
UTILITY PLANT IN SERVICE	$155,415	$505,154	$67,533	$88,993	$164,411	$114,345	$72,181	$87,403	$66,849	$113,473
CONSTRUCTION WORK IN PROGRESS	0	0	0	0	0	72,264	0	0	0	0
OTHER	0	0	0	0	0	0	0	0	0	0
TOTAL UTILITY PLANT	155,415	505,154	67,533	88,993	164,411	186,609	72,181	87,403	66,849	113,473
ACCUM.PROV. FOR DEPR. & AMORT.	30,148	7,129	50,150	10,397	108,881	22,931	35,888	37,095	33,628	83,861
NET UTILITY PLANT	125,267	498,025	17,383	78,596	55,530	163,678	36,293	50,308	33,221	29,612
CASH	2,996	484	18,538	0	1,263	51	8,199	1,236	1,374	7,291
CUSTOMER ACCOUNTS RECEIVABLE	0	(4)	0	0	0	0	0	0	0	0
OTHER ASSETS	0	100	0	0	0	114,158	0	0	25,325	21,300
TOTAL ASSETS	$128,263	$498,605	$35,921	$78,596	$56,793	$277,887	$44,492	$51,544	$59,920	$58,203
LIABILITIES AND CAPITAL:										
COMMON STOCK ISSUED	$0	$100	$33,500	$25,000	$500	$500	$0	$13,873	$40,000	$500
PREFERRED STOCK ISSUED	0	0	0	0	0	0	0	0	0	0
OTHER PAID IN CAPITAL	0	0	0	0	0	123,099	0	13,278	484	58,942
RETAINED EARNINGS:	0	0	0	0	0	0	0	0	0	0
APPROPRIATED	0	(67,744)	0	0	0	0	0	0	0	0
UNAPPROPRIATED	0	0	746	12,868	(37,933)	4,637	0	16,882	5,833	(39,361)
PROPRIETARY CAPITAL	45,428	0	0	0	0	0	26,453	0	0	0
TOTAL CAPITAL	45,428	(67,644)	34,246	37,868	(37,433)	128,236	26,453	44,033	46,317	20,081
LONG-TERM DEBT	63,526	0	0	0	0	96,331	6,239	0	0	13,272
ACCOUNTS PAYABLE	0	2,766	0	0	0	0	0	0	0	21,600
NOTES PAYABLE	0	60,000	0	0	68,166	0	0	0	0	0
CUSTOMER DEPOSITS	769	0	0	0	0	0	0	235	0	0
ACCRUED TAXES	0	1,005	1,675	0	0	25	0	451	0	0
OTHER LIABILITIES	0	4,326	0	40,728	0	0	0	0	1,127	0
ADVANCES FOR CONSTRUCTION	0	0	0	0	0	0	0	0	0	0
CONTR. IN AID OF CONSTRUCTION	18,540	498,152	0	0	26,060	53,295	11,800	6,825	12,476	3,250
TOTAL LIABILITIES	82,835	566,249	1,675	40,728	94,226	149,651	18,039	7,511	13,603	38,122
TOTAL LIABILITIES AND CAPITAL	$128,263	$498,605	$35,921	$78,596	$56,793	$277,887	$44,492	$51,544	$59,920	$58,203
RELATED RATIOS:										
RATIO OF ACCUM.PROV. FOR DEPRECIATION AND AMORTIZATION TO UTILITY PLANT IN SERVICE	19.40%	1.41%	74.26%	11.68%	66.22%	20.05%	49.72%	42.44%	50.30%	73.90%
RATIO OF L-T DEBT TO TOTAL CAPITALIZATION	58.31%	0.00%	0.00%	0.00%	0.00%	42.90%	19.08%	0.00%	0.00%	39.79%

CLASS 'C' WATER UTILITIES
NET OPERATING INCOME STATEMENT
DECEMBER 31, 1986

	ISLAND LAKE WATER CO. (21)	KALA POINT UTILITY CO. (22)	DISHMAN WATER COMPANY, INC. (23)	W. B. WATER WORKS (24)	SARATOGA WATER, INC. (25)	LARA LEE INC. (26)	RAFT ISLAND WATER CO. (27)	BOSTON HARBOR WATER SYSTEMS CORP. (28)	THE OAK PARK WATER COMPANY, INC. (29)	LAKELAND VILLAGE WATER CO., INC. (30)
OPERATING REVENUE:										
RESIDENTIAL	$30,586	$30,402	$1,326	$26,582	$26,517	$24,522	$24,030	$23,468	$22,353	$22,127
COMMERCIAL	0	0	20,614	0	0	0	0	0	0	0
INDUSTRIAL	0	0	0	0	0	0	0	0	0	0
MULTIPLE FAMILY	0	0	1,290	0	0	0	0	0	0	0
OTHER	0	0	6,995	0	0	0	0	0	0	0
TOTAL OPERATING REVENUE	30,586	30,402	30,225	26,582	26,517	24,522	24,030	23,468	22,353	22,127
OPERATING EXPENSES:										
SALARIES AND WAGES-EMPLOYEES	1,328	27,060	0	0	0	3,313	865	0	0	0
SALARIES AND WAGES-OFFICERS & DIRECTORS	0	0	12,960	18,000	0	9,000	0	(3,500)	4,931	0
EMPLOYEE PENSION & BENEFITS	0	887	0	0	0	0	0	0	1,270	0
PURCHASED WATER	0	0	0	0	0	0	0	0	0	0
PURCHASED POWER	1,892	4,766	5,692	3,997	0	1,056	1,557	1,965	4,443	0
FUEL FOR POWER PRODUCTION	0	0	0	0	0	0	0	0	0	0
CHEMICALS	0	1,749	0	0	0	0	685	0	0	0
MATERIALS & SUPPLIES	789	1,220	1,357	1,120	0	120	0	2,744	1,841	0
CONTRACTUAL SERVICES	727	0	1,241	2,837	11,381	1,863	350	7,901	1,110	9,600
RENTS	0	1,800	4,800	0	3,200	0	0	0	1,800	12,000
TRANSPORTATION EXPENSE	0	1,604	0	3,600	650	280	428	2,044	0	0
INSURANCE EXPENSE	490	3,809	798	3,000	0	0	1,758	0	2,223	0
REGULATORY COMMISSION EXPENSES	0	0	0	0	0	0	0	0	0	0
BAD DEBT EXPENSE	0	0	0	0	0	0	0	82	0	0
MISCELLANEOUS EXPENSES	839	3,004	993	0	2,125	950	1,127	67	0	914
TOTAL OPERATION & MAINTENANCE EXPENSES	6,064	45,899	27,841	32,554	17,356	16,582	6,770	11,303	17,618	22,514
DEPRECIATION & AMORTIZATION EXPENSE	3,297	2,039	2,530	2,599	5,955	6,199	2,697	2,452	3,001	7,553
TAXES OTHER THAN INCOME	2,539	4,420	5,914	2,417	8,937	153	1,653	2,856	2,390	1,598
INCOME TAXES	0	0	0	0	0	0	0	0	0	0
TOTAL OPERATING EXPENSES	11,900	52,358	36,285	37,570	32,248	22,934	11,120	16,611	23,009	31,665
NET OPERATING INCOME(LOSS)	$18,686	($21,956)	($6,060)	($10,988)	($5,731)	$1,588	$12,910	$6,857	($656)	($9,538)
OTHER INCOME	0	18,255	1,035	0	6,677	10,180	333	0	1,228	0
OTHER DEDUCTIONS	8,538	7,777	0	0	12,503	8,599	1,512	0	0	10,688
NET INCOME(LOSS)	$10,148	($11,478)	($5,025)	($10,988)	($11,557)	$3,169	$11,731	$6,857	$572	($20,226)
PERCENTAGE DISTRIBUTION OF OPERATING REVENUES:										
OPERATING AND MAINTENANCE EXPENSES	19.83%	150.97%	92.11%	122.47%	65.45%	67.62%	28.17%	48.16%	78.82%	101.75%
DEPRECIATION & AMORTIZATION EXPENSES	10.78%	6.71%	8.37%	9.78%	22.46%	25.28%	11.22%	10.45%	13.43%	34.13%
TAXES OTHER THAN INCOME	8.30%	14.54%	19.57%	9.09%	33.70%	0.62%	6.88%	12.17%	10.69%	7.22%
INCOME TAXES	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TOTAL DEDUCTIONS	38.91%	172.22%	120.05%	141.34%	121.61%	93.52%	46.28%	70.78%	102.93%	143.11%
NET OPERATING INCOME (LOSS)	61.09%	-72.22%	-20.05%	-41.34%	-21.61%	6.48%	53.72%	29.22%	-2.93%	-43.11%

CLASS 'C' WATER UTILITIES
PLANT STATISTICS AND RELATED INFORMATION
DECEMBER 31, 1986

	ISLAND LAKE WATER CO. (21)	KALA POINT UTILITY CO. (22)	DISHMAN WATER COMPANY, INC. (23)	W. B. WATER WORKS (24)	SARATOGA WATER, INC. (25)	LARA LEE INC. (26)	RAFT ISLAND WATER CO. (27)	BOSTON HARBOR WATER SYSTEMS CORP. (28)	THE OAK PARK WATER COMPANY, INC. (29)	LAKELAND VILLAGE WATER CO., INC. (30)
CUSTOMERS:										
METERED CUSTOMERS	152	0	0	0	150	0	0	144	0	186
UNMETERED CUSTOMERS	15	207	93	300	2	82	150	25	112	16
TOTAL CUSTOMERS	167	207	93	300	152	82	150	169	112	202
OTHER STATISTICS:										
NO. OF WELLS	2	4	1	9	1	8	2	4	1	4
CAPACITY OF PUMPS -- (GPM)	135	405	104	410	75	223	172	253	200	845
CAPACITY OF RESERVOIRS OR TANKS (GALLONS)	126,800	200,000	50,000	170,000	50,000	103,244	20,000	100,000	40,000	160,000

CLASS 'C' WATER UTILITIES
ACCUMULATED DEPRECIATION SCHEDULE
BALANCE END-OF-YEAR: DECEMBER 31, 1986

Account Description	ISLAND LAKE WATER CO. (21)	KALA POINT UTILITY CO. (22)	DISHMAN WATER COMPANY, INC. (23)	W. B. WATER WORKS (24)	SARATOGA WATER, INC. (25)	LARA LEE INC. (26)	RAFT ISLAND WATER CO. (27)	BOSTON HARBOR WATER SYSTEMS CORP. (28)	THE OAK PARK WATER COMPANY, INC. (29)	LAKELAND VILLAGE WATER CO., INC. (30)
Structures & Improvements	$1,229	$0	$4,238	$201	$4,251	$712	$2,310	$5,340	$8,879	$7,520
Collecting & Impounding Reservoirs	0	14	0	0	15,417	0	11,485	0	0	0
Lake River & Other Intakes	0	0	0	0	0	0	0	0	0	0
Well & Springs	4,288	769	4,160	3,228	7,622	2,329	7,128	6,674	16,639	32,106
Supply Mains	2,384	0	0	0	0	1,245	470	0	2,039	0
Power Generating Equipment	0	0	0	0	0	0	0	0	0	0
Pumping Equipment	3,289	4,754	1,764	2,780	1,481	528	4,395	1,483	4,035	0
Water Treatment Equipment	0	1,124	0	272	0	0	0	297	0	0
Distribution Reservoirs & Standpipes	13,855	0	0	3,835	0	1,514	5,277	0	0	0
Trans. & Dist. Mains	3,060	0	26,254	0	64,258	256	0	11,808	0	0
Services	2,028	0	0	0	1,929	0	0	0	0	0
Meter & Meter Installations	15	57	5,044	82	8,269	0	0	0	19	0
Hydrants	0	0	0	0	0	0	0	0	0	0
Other Plant and Misc.Equipment	0	0	0	0	0	0	0	2,224	0	44,235
Office Furniture and Equipment	0	0	0	0	448	3,349	543	2,595	2,817	0
Transportation Equipment	0	0	0	0	5,206	12,758	150	6,674	0	0
Tools, Shop and Garage Equipment	0	411	290	0	0	240	4,130	0	0	0
Power Operated Equipment	0	0	0	0	0	0	0	0	0	0
Other Tangible Plant	0	0	8,400	(1)	0	0	0	0	0	0
Total Accumulated Depreciation	$30,148	$7,129	$50,150	$10,397	$108,881	$22,931	$35,888	$37,095	$34,428	$83,861

CLASS 'C' WATER UTILITIES
AVERAGE SERVICE LIFE IN YEARS AND
DEPRECIATION RATE APPLIED: DECEMBER 31, 1986

Account Description	ISLAND LAKE WATER CO. (21)	KALA POINT UTILITY CO. (22)	DISHMAN WATER COMPANY, INC. (23)	W. B. WATER WORKS (24)	SARATOGA WATER,INC. (25)	LARA LEE INC. (26)	RAFT ISLAND WATER CO. (27)	BOSTON HARBOR WATER SYSTEMS CORP. (28)	THE OAK PARK WATER COMPANY,INC. (29)	LAKELAND VILLAGE WATER CO., INC. (30)
AVERAGE SERVICE LIFE IN YEARS										
Structures & Improvements	35	0	30	35	44	35	40	30	40	10
Collecting & Impounding Reservoirs	0	60	0	0	55	0	33	0	0	0
Lake River & Other Intakes	0	0	0	0	0	0	0	0	0	0
Well & Springs	25	20	50	25	51	25	25	30	35	12
Supply Mains	50	0	0	0	0	40	0	0	50	0
Power Generating Equipment	0	0	0	0	0	0	50	0	0	0
Pumping Equipment	20	24	25	20	12	20	10	30	20	0
Water Treatment Equipment	0	5	0	20	0	0	0	30	0	0
Distribution Reservoirs & Standpipes	30	0	0	50	0	50	50	0	0	0
Trans. & Dist. Mains	50	0	50	0	39	0	50	30	0	0
Services	30	0	0	0	30	0	0	0	0	0
Meter & Meter Installations	40	50	40	35	30	0	50	0	45	0
Hydrants	0	0	0	0	0	0	0	0	0	0
Other Plant and Misc.Equipment	0	0	0	0	0	0	0	30	0	15
Office Furniture and Equipment	0	0	0	0	17	10	5	10	10	0
Transportation Equipment	0	0	0	0	12	5	5	3	0	0
Tools, Shop and Garage Equipment	0	20	0	0	0	5	0	0	0	0
Power Operated Equipment	0	0	0	0	0	0	0	0	0	0
Other Tangible Plant	0	0	10	0	0	0	0	0	0	0
DEPRECIATION RATE APPLIED										
Structures & Improvements	2.50%	0.00%	3.33%	2.87%	2.56%	2.86%	2.50%	3.00%	2.50%	10.00%
Collecting & Impounding Reservoirs	0.00%	1.70%	0.00%	0.00%	1.83%	0.00%	3.30%	0.00%	0.00%	0.00%
Lake River & Other Intakes	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Well & Springs	2.90%	5.00%	2.00%	3.99%	1.96%	4.00%	4.00%	3.00%	2.90%	8.00%
Supply Mains	1.30%	0.00%	0.00%	0.00%	0.00%	2.50%	0.00%	0.00%	2.00%	0.00%
Power Generating Equipment	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	2.00%	0.00%	0.00%	0.00%
Pumping Equipment	5.00%	4.20%	4.00%	4.44%	8.33%	5.00%	10.00%	3.00%	5.00%	0.00%
Water Treatment Equipment	0.00%	20.00%	0.00%	4.44%	0.00%	0.00%	0.00%	3.00%	0.00%	0.00%
Distribution Reservoirs & Standpipes	5.00%	0.00%	0.00%	2.71%	0.00%	2.00%	2.00%	0.00%	0.00%	0.00%
Trans. & Dist. Mains	1.30%	0.00%	2.00%	0.00%	2.55%	0.00%	2.00%	3.00%	0.00%	0.00%
Services	2.50%	0.00%	0.00%	0.00%	3.33%	0.00%	0.00%	0.00%	0.00%	0.00%
Meter & Meter Installations	2.00%	2.00%	2.50%	1.44%	3.35%	0.00%	2.00%	0.00%	2.20%	0.00%
Hydrants	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other Plant and Misc.Equipment	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	3.00%	0.00%	6.00%
Office Furniture and Equipment	0.00%	0.00%	0.00%	0.00%	5.98%	10.00%	20.00%	10.00%	10.00%	0.00%
Transportation Equipment	0.00%	0.00%	0.00%	0.00%	8.33%	20.00%	20.00%	33.00%	0.00%	0.00%
Tools, Shop and Garage Equipment	0.00%	5.00%	0.00%	0.00%	0.00%	20.00%	0.00%	0.00%	0.00%	0.00%
Power Operated Equipment	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other Tangible Plant	0.00%	0.00%	10.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

CLASS 'C' WATER UTILITIES
UTILITY PLANT ACCOUNTS:
BALANCE END-OF-YEAR: DECEMBER 31, 1986

Account Description	ISLAND LAKE WATER CO. (21)	KALA POINT UTILITY CO. (22)	DISHMAN WATER COMPANY, INC. (23)	W. B. WATER WORKS (24)	SARATOGA WATER, INC. (25)	LARA LEE INC. (26)	RAFT ISLAND WATER CO. (27)	BOSTON HARBOR WATER SYSTEMS CORP. (28)	THE OAK PARK WATER COMPANY, INC. (29)	LAKELAND VILLAGE WATER CO., INC. (30)
UTILITY PLANT										
Organization	$117	$0	$1,727	$0	$0	$225	$205	$959	$0	$0
Franchises	0	0	0	150	0	0	0	0	0	0
Land and Land Rights	4,360	0	1,000	4,400	4,339	0	2,700	2,600	0	0
Structures and Improvements	5,630	8,126	4,238	2,750	4,274	7,867	4,200	9,531	12,665	7,520
Collecting and Impounding Reservoirs	0	66,924	0	0	16,628	0	0	0	0	0
Lake River and Other Intakes	0	0	0	0	0	0	0	0	0	0
Wells and Springs	26,307	61,685	6,500	19,678	9,690	13,396	29,186	11,468	31,983	49,521
Supply Mains	11,551	0	0	0	0	9,315	0	0	6,594	0
Power Generation Equipment	0	0	0	0	0	0	0	0	0	0
Pumping Equipment	17,686	81,802	2,481	11,615	3,231	17,987	4,395	5,272	8,510	0
Water Treatment Equipment	0	28,919	0	12,335	0	0	0	789	0	0
Distribution Reservoirs and Standpipes	63,468	0	0	31,724	0	21,548	0	0	0	0
Transmission and Distribution Mains	14,835	164,732	33,652	0	88,383	8,921	24,185	40,446	0	0
Services	10,693	43,084	0	0	8,097	0	0	0	0	0
Meters and Meter Installations	769	2,724	5,044	6,342	23,117	0	0	0	443	1,199
Hydrants	0	45,618	0	0	0	0	0	0	0	0
Other Plant and Misc. Equipment	0	0	0	0	0	0	0	6,527	0	55,233
Office Furniture and Equipment	0	0	0	0	970	15,519	1,212	2,852	6,654	0
Transportation Equipment	0	0	0	0	5,682	19,167	1,500	6,959	0	0
Tools, Shop and Garage Equipment	0	1,540	290	0	0	400	4,598	0	0	0
Power Operated Equipment	0	0	0	0	0	0	0	0	0	0
Other Tangible Plant	0	0	12,600	(1)	0	72,264	0	0	0	0
Total Utility Plant	$155,415	$505,154	$67,533	$88,993	$164,411	$186,609	$72,181	$87,403	$66,849	$113,473
UTILITY PLANT										
Non-Depreciable	$4,477	$0	$2,727	$4,550	$4,339	$225	$2,905	$3,559	$0	$0
Depreciable	150,938	505,154	64,805	84,443	160,072	186,384	69,276	83,844	66,849	113,473
Total Utility Plant	$155,415	$505,154	$67,533	$88,993	$164,411	$186,609	$72,181	$87,403	$66,849	$113,473

CLASS C WATER UTILITIES
BALANCE SHEET AND RELATED RATIOS
DECEMBER 31, 1986

BALANCE SHEET:	NORTH WOODLAND WATER SYS., INC. (31)	SEAVIEW WATER COMPANY (32)	DAWN PARK WATER, INC. (33)	DIAMOND POINT WATER CO. (34)	LITTLE SPOKANE RIVER WATER SYSTEM, INC. (35)	CROSSWOODS WATER COMPANY (36)	WESTBOURNE ACRES WATER CORPORATION. (37)	VIEW ROYAL WATER COMPANY (38)	RIVERVALE WATER SYSTEM (39)	TOTAL CLASS "C" WATER UTILITIES
ASSETS:										
UTILITY PLANT:										
UTILITY PLANT IN SERVICE	$56,145	$250,662	$143,287	$130,809	$27,538	$72,381	$107,941	$214,905	$80,558	$12,889,847
CONSTRUCTION WORK IN PROGRESS	0	0	0	8,193	0	0	0	0	0	84,509
OTHER	0	0	0	0	205	0	0	0	0	13,098
TOTAL UTILITY PLANT	56,145	250,662	143,287	139,002	27,743	72,381	107,941	214,905	80,558	12,987,454
ACCUM.PROV. FOR DEPR. & AMORT.	34,949	24,387	34,551	48,288	3,991	71,097	20,119	19,819	10,191	3,031,287
NET UTILITY PLANT	21,196	226,275	108,736	90,714	23,752	1,284	87,822	195,085	70,367	9,956,167
CASH	1,413	7,966	2,126	18,626	534	817	3,282	252	0	240,099
CUSTOMER ACCOUNTS RECEIVABLE	0	0	0	0	2,652	2,674	1,032	2,232	2,314	131,127
OTHER ASSETS	8,608	0	717	0	0	0	0	0	3,104	1,527,682
TOTAL ASSETS	$31,217	$234,241	$111,579	$109,340	$26,938	$4,775	$92,136	$197,568	$75,785	$11,855,074
LIABILITIES AND CAPITAL:										
COMMON STOCK ISSUED	$13,642	$0	$2,000	$0	$660	$500	$500	$0	$0	$427,634
PREFERRED STOCK ISSUED	0	0	0	0	0	0	0	0	0	0
OTHER PAID IN CAPITAL	0	0	0	0	376	469	0	0	0	4,752,484
RETAINED EARNINGS:	0	0	0	0	0	0	0	0	0	0
APPROPRIATED	12,081	0	0	0	0	0	0	0	0	3,021
UNAPPROPRIATED	0	0	102,436	0	7,121	(4,072)	(2,043)	0	0	(1,275,029)
PROPRIETARY CAPITAL	0	206,713	0	44,246	0	0	0	(1,152)	75,785	807,947
TOTAL CAPITAL	25,723	206,713	104,436	44,246	8,157	(3,103)	(1,543)	(1,152)	75,785	4,716,057
LONG-TERM DEBT	0	0	0	6,411	0	6,000	87,679	62,707	0	1,875,837
ACCOUNTS PAYABLE	0	0	1,200	33,049	15,185	1,216	0	1,034	0	261,144
NOTES PAYABLE	4,094	0	2,066	0	621	0	0	0	0	376,279
CUSTOMER DEPOSITS	0	0	630	0	0	0	0	0	0	6,966
ACCRUED TAXES	0	0	1,647	0	0	662	0	0	0	44,420
OTHER LIABILITIES	0	0	0	0	0	0	0	0	0	483,917
ADVANCES FOR CONSTRUCTION	0	0	0	0	0	0	0	107,248	0	203,720
CONTR. IN AID OF CONSTRUCTION	1,400	27,528	1,600	25,634	2,975	0	6,000	27,731	0	3,886,734
TOTAL LIABILITIES	5,494	27,528	7,143	65,094	18,781	7,878	93,679	198,721	0	7,139,017
TOTAL LIABILITIES AND CAPITAL	$31,217	$234,241	$111,579	$109,340	$26,938	$4,775	$92,136	$197,568	$75,785	$11,855,074
RELATED RATIOS:										
RATIO OF ACCUM.PROV. FOR DEPRECIATION AND AMORTIZATION TO UTILITY PLANT IN SERVICE	62.25%	9.73%	24.11%	36.91%	14.49%	98.23%	18.64%	9.22%	12.65%	23.52%
RATIO OF L-T DEBT TO TOTAL CAPITALIZATION	0.00%	0.00%	0.00%	12.66%	0.00%	207.11%	101.79%	101.87%	0.00%	28.46%

CLASS 'C' WATER UTILITIES
NET OPERATING INCOME STATEMENT
DECEMBER 31, 1986

	NORTH WOODLAND WATER SYS.,INC. (31)	SEAVIEW WATER COMPANY (32)	DAWN PARK WATER,INC. (33)	DIAMOND POINT WATER CO. (34)	LITTLE SPOKANE RIVER WATER SYSTEM,INC. (35)	CROSSWOODS WATER COMPANY (36)	WESTBOURNE ACRES WATER CORPORATION. (37)	VIEW ROYAL WATER COMPANY (38)	RIVERVALE WATER SYSTEM (39)	TOTAL CLASS "C" WATER UTILITIES
OPERATING REVENUE:										
RESIDENTIAL	$21,500	$20,943	$20,520	$18,651	$12,592	$12,206	$10,655	$8,928	$8,290	$1,721,040
COMMERCIAL	0	0	0	0	0	0	0	0	0	92,136
INDUSTRIAL	0	0	0	0	0	0	0	0	0	8,825
MULTIPLE FAMILY	0	0	0	0	0	0	0	0	0	15,516
OTHER	0	277	0	0	(110)	0	0	0	0	73,993
TOTAL OPERATING REVENUE	21,500	21,220	20,520	18,651	12,482	12,206	10,655	8,928	8,290	1,911,510
OPERATING EXPENSES:										
SALARIES AND WAGES-EMPLOYEES	0	0	0	1,181	0	0	0	1,600	0	287,599
SALARIES AND WAGES-OFFICERS & DIRECTORS	0	9,600	3,680	0	0	6,000	0	0	0	313,319
EMPLOYEE PENSION & BENEFITS	671	0	1,614	0	0	0	0	0	0	17,342
PURCHASED WATER	0	0	0	0	500	0	0	0	0	21,725
PURCHASED POWER	1,283	2,634	2,517	1,432	889	2,228	4,285	3,708	0	128,697
FUEL FOR POWER PRODUCTION	0	0	0	0	0	0	0	0	0	15,005
CHEMICALS	0	0	0	0	0	0	0	0	0	9,608
MATERIALS & SUPPLIES	0	698	497	194	108	306	2,365	364	720	110,866
CONTRACTUAL SERVICES	6,000	1,116	2,870	675	0	3,619	1,846	0	1,630	214,899
RENTS	0	0	1,550	0	0	3,600	0	0	0	60,976
TRANSPORTATION EXPENSE	0	612	0	0	0	0	0	95	0	45,431
INSURANCE EXPENSE	0	196	1,891	0	765	0	201	80	328	76,407
REGULATORY COMMISSION EXPENSES	0	20	0	0	0	50	10	0	4,341	6,173
BAD DEBT EXPENSE	0	0	90	21	0	0	0	0	0	3,868
MISCELLANEOUS EXPENSES	2,017	312	985	0	377	118	0	153	15	96,913
TOTAL OPERATION & MAINTENANCE EXPENSES	9,971	15,188	15,694	3,503	2,639	15,921	8,707	6,001	7,034	1,408,827
DEPRECIATION & AMORTIZATION EXPENSE	1,517	8,607	2,489	3,681	853	377	2,721	4,776	7,810	313,668
TAXES OTHER THAN INCOME	1,829	1,105	1,475	1,811	2,974	1,156	216	8	376	205,223
INCOME TAXES	0	0	0	0	0	0	0	0	0	600
TOTAL OPERATING EXPENSES	13,317	24,900	19,658	8,995	6,466	17,454	11,644	10,785	15,220	1,928,319
NET OPERATING INCOME(LOSS)	$8,183	($3,680)	$862	$9,656	$6,016	($5,248)	($989)	($1,857)	($6,930)	($16,809)
OTHER INCOME	0	0	0	0	53	2,286	0	0	0	157,339
OTHER DEDUCTIONS	0	420	3,226	0	6,821	1,814	0	3,259	0	373,387
NET INCOME(LOSS)	$8,183	($4,100)	($2,364)	$9,656	($752)	($4,776)	($989)	($5,115)	($6,930)	($232,856)
PERCENTAGE DISTRIBUTION OF OPERATING REVENUES:										
OPERATING AND MAINTENANCE EXPENSES	46.38%	71.57%	76.48%	18.78%	21.14%	130.44%	81.72%	67.21%	84.85%	73.70%
DEPRECIATION & AMORTIZATION EXPENSES	7.06%	40.56%	12.13%	19.74%	6.83%	3.09%	25.54%	53.49%	94.21%	16.41%
TAXES OTHER THAN INCOME	8.51%	5.21%	7.19%	9.71%	23.83%	9.47%	2.03%	0.09%	4.54%	10.74%
INCOME TAXES	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.03%
TOTAL DEDUCTIONS	61.94%	117.34%	95.80%	48.23%	51.80%	143.00%	109.28%	120.80%	183.59%	100.88%
NET OPERATING INCOME (LOSS)	38.06%	-17.34%	4.20%	51.77%	48.20%	-43.00%	-9.28%	-20.80%	-83.59%	-0.88%

CLASS 'C' WATER UTILITIES
PLANT STATISTICS AND RELATED INFORMATION
DECEMBER 31, 1986

	NORTH WOODLAND WATER SYS., INC. (31)	SEAVIEW WATER COMPANY (32)	DAWN PARK WATER, INC. (33)	DIAMOND POINT WATER CO. (34)	LITTLE SPOKANE RIVER WATER SYSTEM, INC. (35)	CROSSWOODS WATER COMPANY (36)	WESTBOURNE ACRES WATER CORPORATION. (37)	VIEW ROYAL WATER COMPANY (38)	RIVERVALE WATER SYSTEM (39)	TOTAL CLASS "C" WATER UTILITIES
CUSTOMERS:										
METERED CUSTOMERS	104	133	0	130	0	127	16	53	0	6,965
UNMETERED CUSTOMERS	6	0	114	0	30	0	15	17	15	3,568
TOTAL CUSTOMERS	110	133	114	130	30	127	31	70	15	10,533

										TOTAL AVERAGE CLASS "C" WATER UTILITIES
OTHER STATISTICS:										
NO. OF WELLS	3	3	1	2	2	2	3	1	1	3
CAPACITY OF PUMPS -- (GPM)	245	260	120	400	100	95	595	54	N/A	548
CAPACITY OF RESERVOIRS OR TANKS (GALLONS)	1,000	60,000	138,000	125,000	53,000	43,200	2,700	56,000	30,000	141,163

CLASS 'C' WATER UTILITIES
ACCUMULATED DEPRECIATION SCHEDULE
BALANCE END-OF-YEAR: DECEMBER 31, 1986

Account Description	NORTH WOODLAND WATER SYS.,INC. (31)	SEAVIEW WATER COMPANY (32)	DAWN PARK WATER,INC. (33)	DIAMOND POINT WATER CO. (34)	LITTLE SPOKANE RIVER WATER SYSTEM,INC. (35)	CROSSWOODS WATER COMPANY (36)	WESTBOURNE ACRES WATER CORPORATION. (37)	VIEW ROYAL WATER COMPANY (38)	RIVERVALE WATER SYSTEM (39)	TOTAL CLASS "C" WATER UTILITIES
Structures & Improvements	$2,529	$4,317	$840	$0	$0	$1,119	$1,859	$225	$270	$253,156
Collecting & Impounding Reservoirs	0	0	0	0	0	0	0	0	0	28,746
Lake River & Other Intakes	0	0	0	0	0	0	0	0	0	0
Well & Springs	3,311	1,683	4,103	8,493	724	5,433	3,521	1,906	4,447	357,490
Supply Mains	8,399	0	309	4,981	0	28,128	0	0	0	60,614
Power Generating Equipment	0	0	0	0	0	0	0	0	0	0
Pumping Equipment	12,062	2,943	3,049	17,125	1,508	5,836	9,566	3,088	403	269,101
Water Treatment Equipment	0	5,060	0	0	0	0	0	0	0	15,112
Distribution Reservoirs & Standpipes	0	975	4,908	9,936	0	0	635	2,211	2,545	213,302
Trans. & Dist. Mains	0	1,674	16,432	4,045	1,671	0	3,632	10,274	2,464	1,273,007
Services	0	2,730	2,625	1,472	0	11,572	18	1,053	0	127,599
Meter & Meter Installations	3,065	1,009	837	470	88	5,724	159	287	0	83,662
Hydrants	0	240	1,448	0	0	10,930	684	777	0	47,651
Other Plant and Misc.Equipment	3,924	0	0	0	0	0	0	0	62	70,574
Office Furniture and Equipment	430	900	0	1,766	0	1,160	0	0	0	30,331
Transportation Equipment	0	2,556	0	0	0	0	0	0	0	120,776
Tools, Shop and Garage Equipment	1,229	300	0	0	0	1,194	45	0	0	28,348
Power Operated Equipment	0	0	0	0	0	0	0	0	0	3,690
Other Tangible Plant	0	0	0	0	0	0	0	0	0	45,620
Total Accumulated Depreciation	$34,949	$24,387	$34,551	$48,288	$3,991	$71,096	$20,119	$19,819	$10,191	$3,028,778

CLASS 'C' WATER UTILITIES
AVERAGE SERVICE LIFE IN YEARS AND
DEPRECIATION RATE APPLIED: DECEMBER 31, 1986

Account Description	NORTH WOODLAND WATER SYS.,INC. (31)	SEAVIEW WATER COMPANY (32)	DAWN PARK WATER,INC. (33)	DIAMOND POINT WATER CO. (34)	LITTLE SPOKANE RIVER WATER SYSTEM,INC. (35)	CROSSWOODS WATER COMPANY (36)	WESTBOURNE ACRES WATER CORPORATION. (37)	VIEW ROYAL WATER COMPANY (38)	RIVERVALE WATER SYSTEM (39)	TOTAL AVERAGE CLASS "C" WATER UTILITIES
AVERAGE SERVICE LIFE IN YEARS										
Structures & Improvements	35	40	40	0	0	0	40	35	35	35
Collecting & Impounding Reservoirs	0	0	0	0	0	0	0	0	0	47
Lake River & Other Intakes	0	0	0	0	0	0	0	0	0	0
Well & Springs	25	30	60	25	50	0	35	30	25	31
Supply Mains	0	0	0	50	0	0	0	0	0	46
Power Generating Equipment	50	0	0	0	0	0	0	0	0	42
Pumping Equipment	20	20	40	20	20	0	20	20	20	22
Water Treatment Equipment	0	20	0	0	0	0	0	0	0	25
Distribution Reservoirs & Standpipes	0	40	60	30	0	0	60	50	60	41
Trans. & Dist. Mains	0	60	60	50	35	0	75	50	75	47
Services	0	40	60	30	0	7	50	30	0	36
Meter & Meter Installations	35	35	60	40	35	0	45	35	0	40
Hydrants	0	40	60	0	0	0	60	40	0	45
Other Plant and Misc.Equipment	25	0	0	0	0	0	0	0	50	31
Office Furniture and Equipment	20	20	0	20	0	5	0	0	0	14
Transportation Equipment	0	7	0	0	0	0	0	0	0	7
Tools, Shop and Garage Equipment	15	10	0	0	0	7	20	0	0	15
Power Operated Equipment	0	0	0	0	0	0	0	0	0	11
Other Tangible Plant	0	0	0	0	0	0	0	0	0	26
DEPRECIATION RATE APPLIED										
Structures & Improvements	2.90%	2.50%	30.00%	0.00%	0.00%	0.00%	2.50%	2.90%	2.86%	3.97%
Collecting & Impounding Reservoirs	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	2.33%
Lake River & Other Intakes	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Well & Springs	4.00%	3.30%	28.33%	2.90%	2.00%	0.00%	2.90%	3.30%	4.00%	4.35%
Supply Mains	0.00%	0.00%	0.00%	1.30%	0.00%	0.00%	0.00%	0.00%	0.00%	1.97%
Power Generating Equipment	2.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	2.67%
Pumping Equipment	5.00%	5.00%	17.50%	5.00%	5.00%	0.00%	5.00%	5.00%	5.00%	5.71%
Water Treatment Equipment	0.00%	5.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	5.35%
Distribution Reservoirs & Standpipes	0.00%	2.50%	18.33%	2.50%	0.00%	0.00%	1.70%	2.00%	1.67%	3.56%
Trans. & Dist. Mains	0.00%	1.60%	20.00%	1.30%	2.86%	0.00%	1.30%	2.00%	1.33%	2.86%
Services	0.00%	2.50%	21.00%	2.50%	0.00%	14.25%	2.00%	3.30%	0.00%	4.28%
Meter & Meter Installations	2.60%	2.80%	28.33%	2.00%	2.86%	0.00%	2.00%	2.60%	0.00%	3.43%
Hydrants	0.00%	2.50%	22.00%	0.00%	0.00%	0.00%	1.60%	2.40%	0.00%	3.63%
Other Plant and Misc.Equipment	4.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	2.00%	4.00%
Office Furniture and Equipment	4.80%	5.00%	0.00%	5.00%	0.00%	20.00%	0.00%	0.00%	0.00%	9.64%
Transportation Equipment	0.00%	14.20%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	15.02%
Tools, Shop and Garage Equipment	6.30%	10.00%	0.00%	0.00%	0.00%	14.25%	4.80%	0.00%	0.00%	8.09%
Power Operated Equipment	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	9.84%
Other Tangible Plant	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	5.65%

CLASS 'C' WATER UTILITIES
UTILITY PLANT ACCOUNTS:
BALANCE END-OF-YEAR: DECEMBER 31, 1986

Account Description	NORTH WOODLAND WATER SYS.,INC. (31)	SEAVIEW WATER COMPANY (32)	DAWN PARK WATER,INC. (33)	DIAMOND POINT WATER CO. (34)	LITTLE SPOKANE RIVER WATER SYSTEM,INC. (35)	CROSSWOODS WATER COMPANY (36)	WESTBOURNE ACRES WATER CORPORATION. (37)	VIEW ROYAL WATER COMPANY (38)	RIVERVALE WATER SYSTEM (39)	TOTAL CLASS "C" WATER UTILITIES
UTILITY PLANT										
Organization	$0	$0	$2,000	$1,260	$0	$369	$0	$0	$0	$23,823
Franchises	0	100	0	0	0	20	0	285	0	2,688
Land and Land Rights	0	2,652	13,200	16,515	1,000	250	11,107	500	0	305,342
Structures and Improvements	4,173	57,350	1,912	0	0	1,119	8,262	1,321	1,247	854,894
Collecting and Impounding Reservoirs	0	0	0	0	0	0	0	0	0	93,729
Lake River and Other Intakes	0	0	0	0	0	0	0	0	0	17,116
Wells and Springs	7,262	17,000	10,018	25,178	8,040	5,433	19,614	8,252	25,020	1,357,619
Supply Mains	13,107	0	4,057	11,498	0	28,128	0	0	0	125,637
Power Generation Equipment	0	0	0	0	0	0	0	0	0	511
Pumping Equipment	14,939	18,500	12,808	36,421	7,521	5,836	27,009	8,821	1,237	821,996
Water Treatment Equipment	0	42,100	0	0	0	0	0	0	0	117,751
Distribution Reservoirs and Standpipes	0	13,000	21,050	30,511	0	0	4,151	18,427	23,369	1,020,234
Transmission and Distribution Mains	0	34,900	62,137	8,936	9,000	0	31,046	158,478	26,581	6,041,259
Services	0	36,400	9,257	3,500	0	11,572	402	6,974	0	657,641
Meters and Meter Installations	8,692	12,460	2,029	1,068	2,182	6,106	1,483	2,008	0	378,557
Hydrants	0	3,200	4,819	0	0	10,930	4,750	9,837	0	231,957
Other Plant and Misc. Equipment	4,277	0	0	0	0	0	0	0	3,104	336,668
Office Furniture and Equipment	1,442	6,000	0	4,115	0	1,424	0	0	0	80,752
Transportation Equipment	0	6,000	0	0	0	0	0	0	0	156,398
Tools, Shop and Garage Equipment	2,253	1,000	0	0	0	1,194	117	0	0	46,161
Power Operated Equipment	0	0	0	0	0	0	0	0	0	13,443
Other Tangible Plant	0	0	0	0	0	0	0	0	0	303,278
Total Utility Plant	$56,145	$250,662	$143,287	$139,002	$27,743	$72,381	$107,941	$214,905	$80,558	$12,987,454
UTILITY PLANT										
Non-Depreciable	$0	$2,752	$15,200	$17,775	$1,000	$639	$11,107	$785	$0	$331,853
Depreciable	56,145	247,910	128,087	121,227	26,743	71,742	96,834	214,120	80,558	12,655,601
Total Utility Plant	$56,145	$250,662	$143,287	$139,002	$27,743	$72,381	$107,941	$214,905	$80,558	$12,987,454

S8450-1.2-L

ANNUAL STATISTICS

of

GAS COMPANIES

1978-1987

Prepared by Revenue Requirements Section
September, 1988

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION
Olympia, Washington
98504

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INTRODUCTION

As part of its regulatory activities, the Utilities and Transportation Commission reviews the annual reports submitted by the regulated class "A" gas utility companies operating in Washington State and publishes relevant information on financial and other operations of those utilities. This report presents the annual statistics of Washington's four class "A" gas utilities for the years 1978 through 1987.

GAS UTILITIES OPERATING IN WASHINGTON

The four class "A" gas utilities that operate in Washington State are: Cascade Natural Gas, Northwest Natural Gas, Washington Natural Gas and The Washington Water Power Company. According to the revenue generated in 1987, (see Table I below) all except Northwest Natural Gas operate primarily within the state.

TABLE I

GROSS OPERATING REVENUE BY COMPANY

1987 ($ MILLION)

	TOTAL COMPANY	WASHINGTON ACTUAL	STATE SHARE (%)
Cascade Natural Gas:	152.4	128.9	84.6
Northwest Natural Gas:	308.9	34.8	11.3
Washington Natural Gas:	276.1	276.1	100.0
Washington Water Power:	69.7	53.5	76.8
Total All Utilities:	807.1	493.3	161.1

MAJOR INFORMATION BLOCKS - ANNUAL REPORTS TO COMMISSION

The annual reports submitted by the gas companies contain a large number of schedules following the system of national accounts. Some of the major and relevant information blocks are:

Block 1: Balance Sheet--Assets and Other Debits
Block 2: Balance Sheet--Liabilities and Other Credits
Block 3: Statement of Income
Block 4: Statement of Income (continued)
Block 5: Statement of Unappropriated Retained Earnings
Block 6: Net Gas Operating Income
Block 7: Changes in Financial Position
Block 8: Plant, Production and Sales Statistics
Block 9: Sales Statistics for Gas Operations

Annual data for Blocks 1 through 5 and 7 are provided for total company only; whereas data for Blocks 6, 8 and 9 are provided both by total company and Washington State operations.

FORMAT AND CONTENT OF ANNUAL STATISTICS REPORT

The financial and operations data are presented in tabular form in this report for each of the four gas utilities and for a corresponding state and company total. Twelve tables (nine "Company Totals" and three "State Operations Only Totals"), are included for each Cascade, Northwest Natural, and Washington Water Power Company. Only nine tables are included for Washington Natural Gas since this company operates only within the state

1. Three letters - the letters are an acronym for the company providing the information.

2. One digit - the number is based on the information blocks above.

3. Blank or "S" - An "S" is found at the end of the label if the table reflects Washington State operations only. If the label ends with a digit, the table contains total company information.

For example, Table CSC.1 contains data on Balance Sheet - Assets for Cascade Natural Gas and the figures reflect total company operations. However, Table CSC.6S contains Cascade Natural Gas information, for state operations only. If comparative analyses of multiple companies are needed, simply find tables of like number, e.g., Table CSC.1, Table NWN.1, Table WNG.1, and Table WWP.1 for comparison of total assets.

DATA USES

Data presented here can be used for a variety of purposes. for example, comparative analyses of changes in financial position for all companies except Washington Natural Gas, whose operations are in-state only, can be made. On the other hand, the average number of gas customers per month for Washington Water Power and Cascade Power companies' Washington State operations can be compared. Additionally, a single company's share of the total sales of all companies can be computed.

Moreover, an analysis can be made of the overall revenue and expenditure of the total Washington operations as in Table II. The sources of gas revenues indicate that nearly 62.8

percent of the gas revenues are generated from industrial and commercial sales, whereas the residential sales account for 32.5 percent, and miscellaneous other gas revenues account for 4.6 percent.

A brief look at the expenditures for 1987 (Table II) indicates operating expenses consist mostly of costs of producing manufactured and natural gas. Taxes and depreciation account for about 12 to 16 percent of the total revenues. After allowing for all the expenses, the net operating income accounts for about 10 percent of the gross operating revenues (See Chart I for distribution of revenue by percent and Chart II for sources of expenditure.)

CAUTIONARY NOTE

Since the publication of the last annual statistics in August, 1987, some of the data presented here have been revised based on the suggestions received from the gas utilities.

As in any attempt to develop continuous and comparable time series data, one of the main problems is to assure comparability of various data elements. Though comparability is assured at broad group levels, the individual data elements that are added due to changes in accounting systems pose a continuous problem for comparison over time. For instance, in the "Statement of Income (Continued)" table for Washington Water Power, Northwest Natural Gas, and the total of all companies note item 19 - Allowance for Borrowed Funds Used During Construction, appears first in 1983. Similarly, in the "Balance Sheet--Liabilities and Other Credits" table, note the section labeled "Other Noncurrent Liabilities" (items 56-59). This section's items first appear for Washington Water Power in 1984. These problems are under continuous investigation and

changes and improvements are incorporated as and when they become appropriate.

Readers are requested to send their suggestions and comments to the attention of Dr. S. Ananda Rao, Coordinator, Reports and Statistics either in writing or by phone (206) 753-3006.

CHART I
Class 'A' Gas Utilities
Washington State Operations
PERCENT DISTRIBUTION
OF OPERATING REVENUES

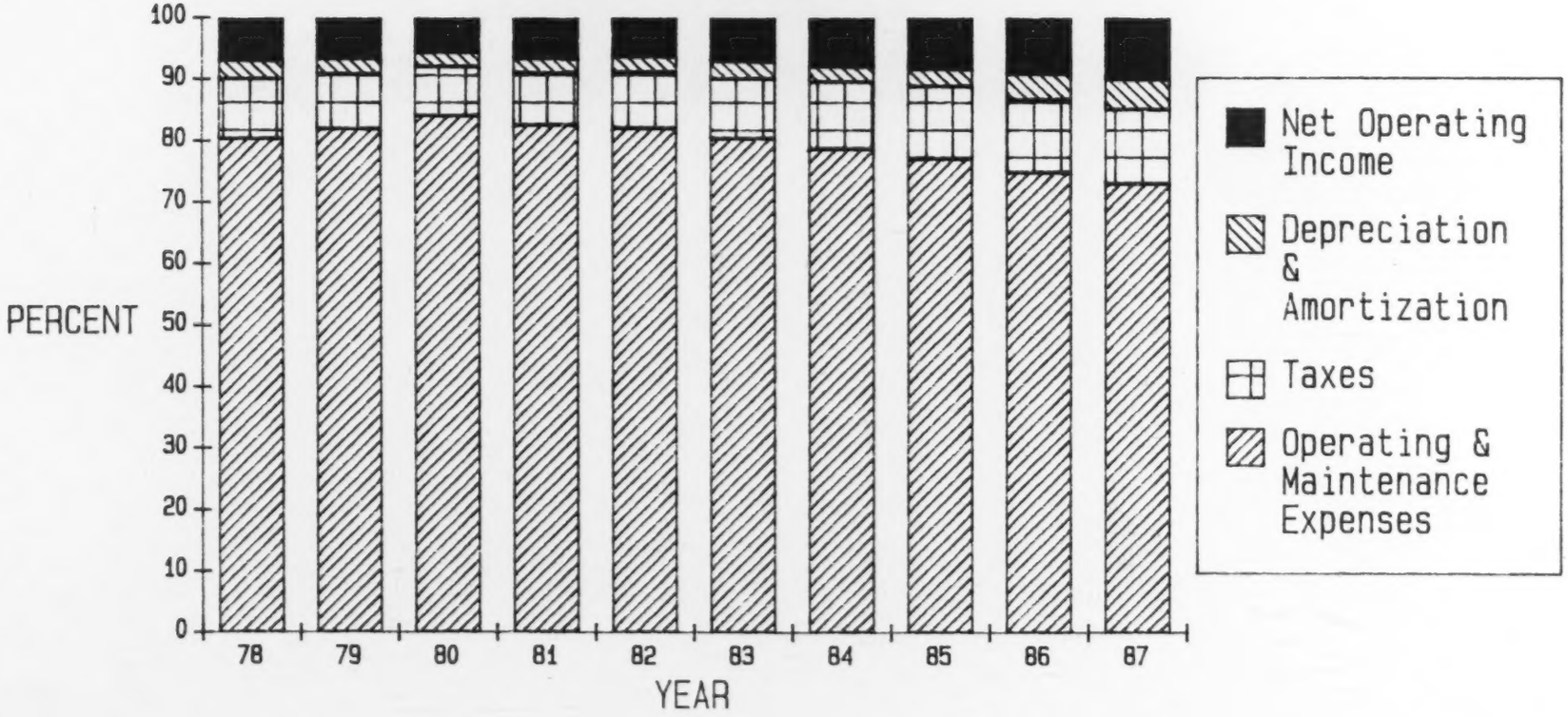
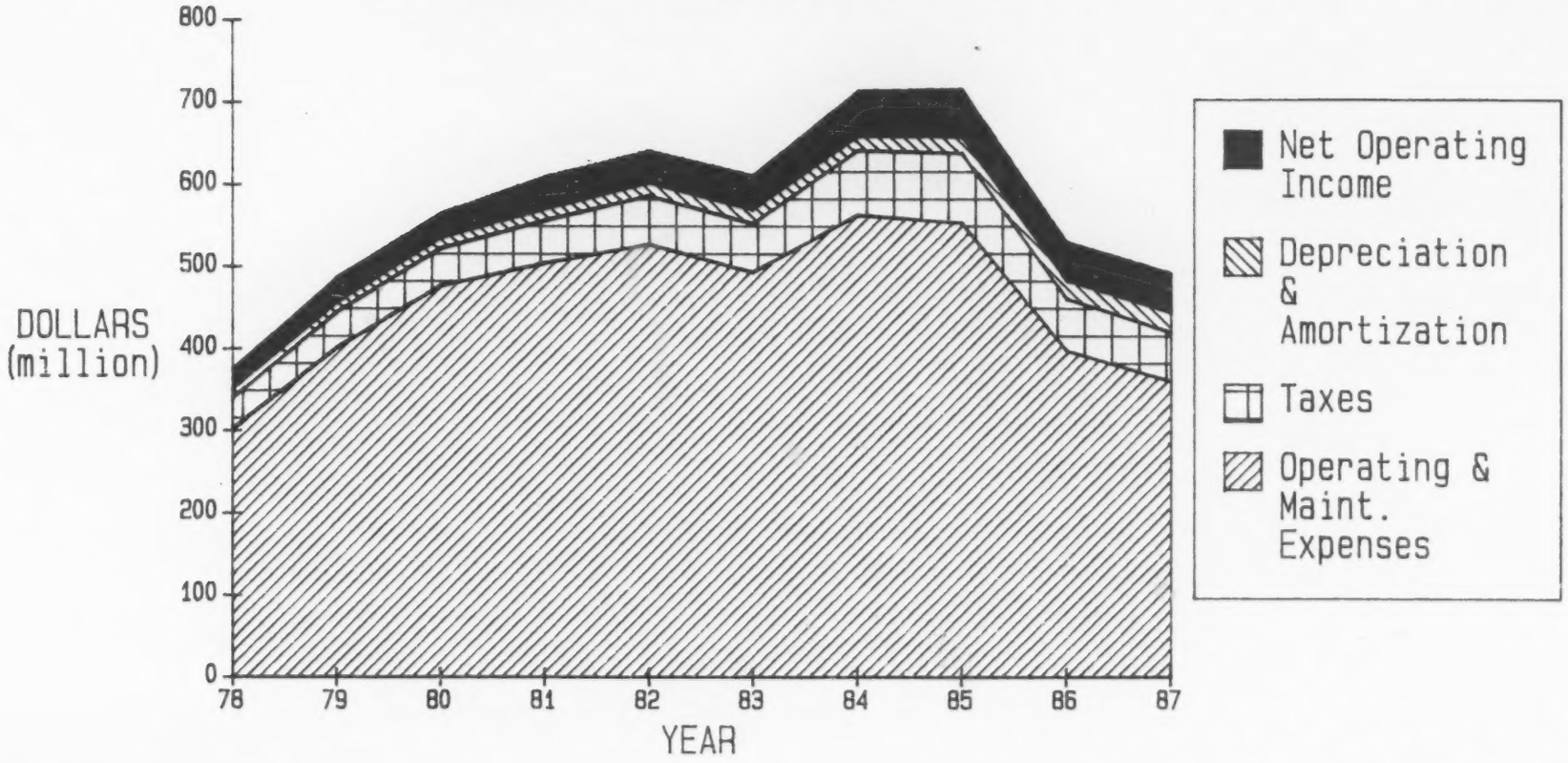


CHART II
Class 'A' Gas Utilities
Washington State Operations
DISTRIBUTION OF OPERATING REVENUES



TOTALST:SUMMARY
JULY 26TH, 1988

TABLE II
TOTAL MAJOR GAS UTILITIES -- WASHINGTON OPERATIONS ONLY
SOURCES AND DISTRIBUTION OF REVENUE AND EXPENDITURE

SOURCES OF REVENUE	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
RESIDENTIAL SALES	$111,481,401	$128,476,433	$156,618,121	$160,942,444	$198,626,755	$177,670,985	$198,335,323	$216,257,138	$176,557,150	$160,348,180
COMMERCIAL SALES	94,964,678	112,406,825	144,285,165	149,751,081	185,360,122	170,636,743	193,533,314	204,762,072	158,857,174	141,051,204
INDUSTRIAL SALES	166,150,102	231,386,096	260,740,342	296,696,457	253,154,836	258,463,260	317,141,898	289,316,378	173,755,703	169,035,566
OTHER SALES	0	13,355,994	1,594,189	0	784,555	0	0	0	0	0
OTHER GAS REVENUE	3,986,782	2,929,353	3,552,621	3,771,272	5,019,144	5,782,751	6,836,298	7,572,108	22,519,211	22,884,047
TOTAL SALES	$376,582,963	$488,554,701	$566,790,438	$611,161,254	$642,945,412	$612,553,739	$715,846,833	$717,907,696	$531,689,238	$493,318,997
DISTRIBUTION OF REVENUE BY SOURCES(%)										
RESIDENTIAL SALES	29.60	26.30	27.63	26.33	30.89	29.00	27.71	30.12	33.21	32.50
COMMERCIAL SALES	25.22	23.01	25.46	24.50	28.83	27.86	27.04	28.52	29.88	28.59
INDUSTRIAL SALES	44.12	47.36	46.00	48.55	39.37	42.19	44.30	40.30	32.68	34.26
OTHER SALES	0.00	2.73	0.28	0.00	0.12	0.00	0.00	0.00	0.00	0.00
OTHER GAS REVENUE	1.06	0.60	0.63	0.62	0.78	0.94	0.95	1.05	4.24	4.64
TOTAL DISTRIBUTION(%)	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
SOURCES OF EXPENDITURE:										
OPERATING AND MAINTENANCE EXPENSES	$302,737,482	$400,781,413	$477,046,292	$504,534,575	$528,115,206	$493,104,779	$563,473,668	$553,384,982	$398,062,348	$360,513,114
DEPRECIATIION AND AMORTIZATION EXPENSES	11,466,451	12,043,778	12,922,869	14,165,665	15,824,404	17,080,401	18,161,378	20,292,396	22,051,000	24,222,766
TAXES	36,373,714	43,434,822	45,357,696	51,912,166	58,765,147	59,145,395	77,910,000	84,733,698	63,182,929	59,458,595
TOTAL EXPENDITURE:	$350,577,647	$456,260,013	$535,326,857	$570,612,406	$602,704,757	$569,330,575	$659,545,046	$658,411,076	$483,296,277	$444,194,475
NET OPERATING INCOME	$26,005,316	$32,294,688	$31,463,581	$40,548,848	$40,240,655	$43,223,164	$56,301,787	$59,496,620	$48,392,961	$49,124,522
DISTRIBUTION OF REVENUE(%)										
OPERATING AND MAINTENANCE EXPENSES	80.39	82.03	84.17	82.55	82.14	80.50	78.71	77.08	74.87	73.08
DEPRECIATIION AND AMORTIZATION EXPENSES	3.04	2.47	2.28	2.32	2.46	2.79	2.54	2.83	4.15	4.91
TAXES	9.66	8.89	8.00	8.49	9.14	9.66	10.88	11.80	11.88	12.05
NET OPERATING INCOME	6.91	6.61	5.55	6.63	6.26	7.06	7.87	8.29	9.10	9.96
	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00

SOURCE: TABLE ALL.6S

APPENDIX: ANNUAL GAS STATISTICS TABLES BY COMPANY AND BLOCKS

COMPANIES:

CSC: Cascade Natural Gas Company
NWNG: Northwest Natural Gas Company
WNG: Washington Natural Gas Company
WWP: Washington Water Power Company
ALL: Total of all four companies

Information Blocks:

Block1: Balance Sheet --Assets and Other Debits
Block2: Balance Sheet -- Liabilities and Other Credits
Block3: Statement of Income
Block4: Statement of Income (continued)
Block5: Statement of Unappropriated Retained Earnings
Block6: Net Gas Operating Income
Block7: Changes in Financial Position
Block8: Plant, Production and Sales Statistics
Block9: Sales Statitics for Gas Operations

Statistical Tables by Company and Blocks

CSC.1	NWNG.1	WNG.1	WWP.1	ALL.1	Balance Sheet --Assets and Other Debits -- TOTAL COMPANY
CSC.2	NWNG.2	WNG.2	WWP.2	ALL.2	Balance Sheet -- Liabilities and Other Credits -- TOTAL COMPANY
CSC.3	NWNG.3	WNG.3	WWP.3	ALL.3	Statement of Income -- TOTAL COMPANY
CSC.4	NWNG.4	WNG.4	WWP.4	ALL.4	Statement of Income (continued) -- TOTAL COMPANY
CSC.5	NWNG.5	WNG.5	WWP.5	ALL.5	Statement of Unappropriated Retained Earnings -- TOTAL COMPANY
CSC.6	NWNG.6	WNG.6	WWP.6	ALL.6	Net Gas Opderating Income -- TOTAL COMPANY
CSC.6S	NWNG.6S	------	WWP.6S	ALL.6S	Net Gas Operating Income -- WASHINGTON STATE ONLY
CSC.7	NWNG.7	WNG.7	WWP.7	ALL.7	Changes in Financial Position -- TOTAL COMPANY
CSC.8	NWNG.8	WNG.8	WWP.8	ALL.8	Plant, Production and Sales Statistics -- TOTAL COMPANY
CSC.8S	NWNG.8S	------	WWP.8S	ALL.8S	Plant, Production and Sales Statistics -- WASHINGTON STATE ONLY
CSC.9	NWNG.9	WNG.9	WWP.9	ALL.9	Sales Statitics for Gas Operations -- TOTAL COMPANY
CSC.9S	NWNG.9S	------	WWP.9S	ALL.9S	Sales Statitics for Gas Operations -- WASHINGTON STATE ONLY

Note: Tables in the appendix are arranged by company.

CASCADE:1TC
JULY 26TH, 1988

CASCADE NATURAL GAS CORPORATION ** TOTAL COMPANY OPERATIONS **
BALANCE SHEET -- ASSETS AND OTHER DEBITS

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
UTILITY PLANT										
UTILITY PLANT	$118,057,601	$125,198,987	$131,656,703	$143,400,137	$150,928,609	$160,176,173	$165,214,909	$171,591,199	$184,216,077	$195,543,292
CONSTRUCTION WORK IN PROGRESS	746,731	880,393	4,819,615	910,563	560,034	706,630	988,629	2,316,028	2,426,279	792,077
TOTAL UTILITY PLANT	118,804,332	126,079,380	136,476,318	144,310,700	151,488,643	160,882,803	166,203,538	173,907,227	186,642,356	196,335,369
LESS ACCUM. PROV. FOR DEPR.AMORT. & DEPL.	32,564,256	36,187,595	40,070,491	43,661,003	48,222,519	52,678,647	58,000,541	63,017,032	69,398,429	75,146,286
NET UTILITY PLANT	86,240,076	89,891,785	96,405,827	100,649,697	103,266,124	108,204,156	108,202,997	110,890,195	117,243,927	121,189,083
GAS STORED UNDERGROUND - NONCURRENT	0	0	0	0	0	0	0	0	0	0
UTILITY PLANT ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0
OTHER PROPERTY AND INVESTMENTS										
NONUTIL. PROP.(LESS ACCUM. DEPR.& AMORT.)	2,595	673,292	675,688	456,452	456,452	456,452	456,452	466,275	1,451,423	1,346,456
INVESTMENT IN ASSOCIATED COMPANIES	0	0	0	0	0	0	0	0	0	0
INVESTMENT IN SUBSIDIARY COMPANIES	1,088,903	940,197	997,179	982,888	1,093,446	1,607,468	1,673,011	1,814,551	2,417,228	1,574,198
OTHER INVESTMENTS	2,744	2,744	2,744	2,744	41,986	292,860	536,606	1,119,574	1,294,748	1,437,081
SPECIAL FUNDS	5,500	320,000	0	0	33,300	2,755	2,755	0	0	0
TOTAL OTHER PROPERTY AND INVESTMENTS	1,099,742	1,936,233	1,675,611	1,442,084	1,625,184	2,359,535	2,668,824	3,400,400	5,163,399	4,357,735
CURRENT AND ACCRUED ASSETS										
CASH	567,609	1,002,197	264,323	425,625	875,379	648,488	3,217,730	1,438,859	548,785	957,067
SPECIAL DEPOSITS	462	462	2,962	2,962	462	462	457	457	457	457
WORKING FUNDS	24,775	24,955	25,455	41,100	26,450	26,400	26,297	26,775	26,775	31,825
TEMPORARY CASH INVESTMENTS	0	0	0	750,000	0	1,937,361	0	2,291,357	0	1,250,000
NOTES & ACCTS. REC.(LESS PROV. FOR UNCOLL. ACCTS.)	15,301,989	20,167,875	18,316,749	19,351,205	20,369,451	24,725,550	24,869,242	24,782,842	14,403,450	17,233,106
RECEIVABLES FROM ASSOC. COMPANIES	0	0	0	115	240	100,322	1,050,170	1,994,558	3,289,211	5,329,605
MATERIALS AND SUPPLIES	883,410	984,184	1,236,881	1,449,074	1,176,982	956,706	1,042,029	1,407,041	1,136,400	1,270,740
GAS STORED UNDERGROUND - CURRENT	0	0	0	0	0	0	0	0	0	0
LIQUEFIED NATURAL GAS STORED	556,573	837,164	1,712,380	2,295,294	2,295,294	1,517,429	0	0	0	0
PREPAYMENTS	392,585	386,178	461,733	444,035	549,637	437,649	567,035	1,076,314	2,811,610	455,888
ADVANCES FOR GAS EXPLORATION, DEV. & PRODUCTION	0	0	0	0	0	0	0	0	0	0
OTHER ADVANCES FOR GAS	0	0	0	0	0	0	0	0	0	0
INTEREST AND DIVIDENDS RECEIVABLE	0	0	0	266	0	15,849	0	7,578	0	656
RENTS RECEIVABLE	0	3,149	0	0	0	0	0	0	0	0
ACCRUED UTILITY REVENUES	3,736,077	3,427,942	3,610,446	4,805,041	4,771,951	5,898,501	5,504,837	5,454,729	3,657,455	4,471,981
MISC. CURRENT AND ACCRUED ASSETS	0	20,408	16,799	15,956	10,308	8,580	6,272	6,354	11,017	17,124
TOTAL CURRENT AND ACCRUED ASSETS	21,463,480	26,854,514	25,647,728	29,580,673	30,076,154	36,273,297	36,284,069	38,486,864	25,885,160	31,018,449
DEFERRED DEBITS										
UNAMORTIZED DEBT EXPENSE	953,600	823,225	829,991	1,492,237	1,324,915	1,924,573	1,704,756	1,699,491	2,788,190	3,124,889
EXTRAORDINARY PROPERTY LOSSES	26,150	19,612	13,075	6,537	0	0	0	0	0	0
PRELIM. SURVEY & INVESTIGATION CHARGES	3,035	3,035	0	0	145,045	0	0	0	0	0
CLEARING ACCOUNTS	14,045	37,017	16,527	9,075	3,547	3,820	(820)	(1,041)	5,267	(7,420)
TEMPORARY FACILITIES	0	0	0	0	0	0	0	0	0	0
MISCELLANEOUS DEFERRED DEBITS	134,351	135,366	174,367	334,631	466,318	692,240	537,408	722,723	809,134	383,030
DEFERRED LOSSES FROM DISP. OF UTILITY PLANT	0	0	0	0	0	0	0	0	0	0
RESEARCH, DEVELOPMENT & DEMO. EXPENDITURES	0	0	0	4,540	13,273	19,500	0	0	0	0
UNAMORTIZED LOSS ON REACQUIRED DEBT	0	0	0	0	0	0	0	0	0	0
ACCUMULATED DEFERRED INCOME TAXES	0	0	0	0	0	0	0	0	0	0
UNRECOVERED PURCHASED GAS COSTS	0	0	0	9,230	13,992	3,639	0	0	0	0
TOTAL DEFERRED DEBITS	1,131,181	1,018,255	1,033,960	1,856,250	1,967,090	2,643,772	2,241,344	2,421,173	3,602,591	3,500,499
TOTAL ASSETS AND OTHER DEBITS	$109,934,479	$119,700,787	$124,763,126	$133,528,704	$136,934,552	$149,480,760	$149,397,234	$155,198,632	$151,895,077	$160,065,766

CASCADE: 2TC
JULY 26TH, 1988

CASCADE NATURAL GAS CORPORATION ** TOTAL COMPANY OPERATIONS **
BALANCE SHEET -- LIABILITIES AND OTHER CREDITS

PROPRIETARY CAPITAL	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
COMMON STOCK ISSUED	$2,351,554	$2,546,503	$2,676,073	$3,324,368	$3,391,053	$3,478,116	$3,559,777	$3,855,124	$3,894,448	$4,239,939
PREFERRED STOCK ISSUED	9,933,912	7,797,805	6,296,615	5,593,057	5,083,037	4,882,756	4,475,406	3,778,391	3,533,761	3,359,707
CAPITAL STOCK SUBSCRIBED	0	0	0	0	0	0	0	0	0	0
STOCK LIABILITY FOR CONVERSION	0	0	0	0	0	0	0	0	0	0
PREMIUM ON CAPITAL STOCK	17,037,840	18,731,952	19,858,359	24,617,789	25,164,933	25,891,599	26,646,639	29,783,613	30,395,456	34,536,135
OTHER PAID-IN CAPITAL	578,765	617,729	672,247	757,532	805,770	812,648	900,921	907,707	947,764	970,624
INSTALLMENTS RECEIVED ON CAPITAL STOCK	0	0	0	0	0	0	0	0	0	0
DISCOUNT ON CAPITAL STOCK	0	0	0	0	0	0	0	0	0	0
CAPITAL STOCK EXPENSE	(677,373)	(561,791)	(483,826)	(958,491)	(949,206)	(940,890)	(932,615)	(896,839)	(892,697)	(1,103,067)
RETAINED EARNINGS	6,847,285	9,239,295	10,698,663	11,159,895	10,182,264	8,357,432	11,574,641	13,902,989	10,158,151	8,832,188
UNAPP. UNDISTRIBUTED SUBSIDIARY EARNINGS	315,254	166,547	223,529	209,238	269,797	333,818	399,362	480,901	173,578	150,548
REACQUIRED CAPITAL STOCK	0	0	0	0	(8,636)	0	0	0	0	0
TOTAL PROPRIETARY CAPITAL	36,387,237	38,538,040	39,941,660	44,703,388	43,939,012	42,815,479	46,624,131	51,811,886	48,210,461	50,986,074
LONG TERM DEBT										
BONDS	33,721,500	31,201,850	35,729,090	32,180,282	28,047,370	25,331,984	20,965,426	16,286,980	13,229,044	10,070,536
ADVANCES FROM ASSOCIATED COMPANIES	0	0	0	0	0	0	0	0	0	0
OTHER LONG-TERM DEBT	20,806,000	25,425,000	23,253,000	26,985,000	34,159,000	43,638,000	41,375,000	46,082,000	50,979,378	60,222,282
UNAMORTIZED PREMIUM ON LONG-TERM DEBT	0	0	0	0	0	0	0	0	0	0
UNAMORTIZED DISCOUNT ON LONG-TERM DEBT	0	0	0	0	0	0	0	0	0	0
TOTAL LONG-TERM DEBT	54,527,500	56,626,850	58,982,090	59,165,282	62,206,370	68,969,984	62,340,426	62,368,980	64,208,422	70,292,818
OTHER NONCURRENT LIABILITIES										
OBLIGATIONS UNDER CAPITAL LEASES--NONCURRENT	0	0	0	0	0	0	0	0	0	0
ACCUMULATED OPERATING RESERVES	0	0	0	0	0	0	0	0	0	0
ACCUMULATED PROVISIONS FOR RATE REFUNDS	0	0	0	0	0	0	0	0	0	0
TOTAL OTHER NONCURRENT LIABILITIES	0	0	0	0	0	0	0	0	0	0
CURRENT AND ACCRUED LIABILITIES										
NOTES PAYABLE	0	0	0	0	0	0	0	0	5,600,000	0
ACCOUNTS PAYABLE	11,793,632	14,905,728	16,198,203	19,254,162	17,911,747	21,600,705	20,567,110	20,126,587	12,663,400	14,790,687
PAYABLES TO ASSOCIATED COMPANIES	0	0	0	0	0	21	23	1,173	2,216	(9)
CUSTOMER DEPOSITS	415,882	477,810	676,071	800,212	869,742	837,829	802,916	840,372	841,803	799,419
TAXES ACCRUED	2,824,983	4,507,500	2,692,440	2,153,105	2,902,454	2,624,001	6,140,317	3,256,694	2,710,141	2,817,839
INTEREST ACCRUED	659,765	648,491	1,014,464	1,166,158	1,655,808	2,080,096	2,338,443	2,483,869	1,861,727	1,845,694
DIVIDENDS DECLARED	754,623	712,365	795,180	1,018,244	1,028,230	1,049,082	1,136,873	1,289,941	1,298,826	1,406,906
MATURED LONG TERM DEBT	0	0	0	0	0	0	0	0	0	0
MATURED INTEREST	0	0	0	0	0	0	0	0	0	0
TAX COLLECTIONS PAYABLE	17,383	26,237	23,970	27,182	22,664	154	69,722	(107)	(489)	3,209
MISC. CURRENT & ACCRUED LIABILITIES	247,777	267,021	286,401	301,644	307,718	343,127	310,236	305,142	328,212	321,946
OBLIGATIONS UNDER CAPITAL LEASES--CURRENT	0	0	0	0	0	0	0	0	0	0
TOTAL CURRENT AND ACCRUED LIABILITIES	16,714,045	21,545,152	21,686,729	24,720,707	24,698,363	28,535,015	31,365,640	28,303,671	25,305,836	21,985,691
DEFERRED CREDITS										
CUSTOMER ADVANCES FOR CONSTRUCTION	112,606	179,909	314,651	374,545	440,375	350,370	331,959	295,734	235,708	233,128
ACCUMULATED DEFERRED INVESTMENT TAX CREDITS	2,130,600	2,757,000	3,195,600	4,113,700	4,676,000	5,349,000	5,605,195	5,959,801	5,829,498	5,514,121
DEFERRED GAINS FROM DISP.OF UTILITY PLANT	0	0	0	0	0	0	0	0	0	0
OTHER DEFERRED CREDITS	62,491	53,836	642,396	141,082	88,932	1,596,746	272,106	2,501,671	2,054,844	3,923,280
UNAMORTIZED GAIN ON REACQUIRED DEBT	0	0	0	0	0	0	0	0	0	0
ACCUMULATED DEFERRED INCOME TAXES	0	0	0	310,000	885,500	1,864,166	2,857,777	3,956,889	6,050,308	7,130,654
TOTAL DEFERRED CREDITS	2,305,697	2,990,745	4,152,647	4,939,327	6,090,807	9,160,282	9,067,037	12,714,095	14,170,358	16,801,183
TOTAL LIABILITIES AND OTHER CREDITS	$109,934,479	$119,700,787	$124,763,126	$133,528,704	$136,934,552	$149,480,760	$149,397,234	$155,198,632	$151,895,077	$160,065,766

CASCADE 3:TC
JULY 26TH, 1988

CASCADE NATURAL GAS CORPORATION ** TOTAL COMPANY OPERATIONS **
STATEMENT OF INCOME

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
UTILITY OPERATING INCOME										
OPERATING REVENUES	$116,333,699	$150,496,494	$176,100,741	$191,226,281	$193,137,868	$185,309,258	$233,580,557	$218,552,252	$146,241,609	$152,449,790
OPERATING EXPENSES:										
OPERATION EXPENSES	95,854,238	123,361,356	148,508,663	161,644,691	162,882,091	155,228,151	190,330,536	176,478,294	118,105,166	118,987,587
MAINTENANCE EXPENSES	936,072	980,099	1,234,113	1,216,135	1,420,725	1,311,018	1,309,558	1,199,768	1,262,143	1,378,171
DEPRECIATION EXPENSE	3,712,257	3,864,991	4,051,422	4,461,957	4,704,786	4,926,717	5,181,255	5,392,252	5,709,818	6,148,019
AMORT. & DEPL. OF UTILITY PLANT	0	0	0	0	0	0	0	0	0	0
AMORT. OF UTILITY PLANT ACQ. ADJ.	0	0	0	0	0	0	0	0	0	0
AMORT. OF PROPERTY LOSSES	6,537	6,537	6,537	6,537	6,537	0	0	0	0	0
AMORT. OF CONVERSION EXPENSES	0	0	0	0	0	0	0	0	0	0
TAXES OTHER THAN INCOME TAXES	7,244,784	8,454,055	9,393,605	10,182,528	11,978,458	12,076,966	14,556,800	14,156,277	10,857,726	11,098,415
INCOME TAXES - FEDERAL	1,153,627	3,321,421	2,605,356	2,012,405	982,363	279,693	5,229,282	4,654,395	(992,555)	2,246,311
- OTHER	50,420	104,231	87,590	85,000	56,718	33,783	181,210	161,211	(11,986)	73,632
PROVISION FOR DEFERRED INCOME TAXES	0	0	0	310,000	575,500	978,666	1,052,514	1,166,669	2,261,919	1,305,167
PROVISION FOR DEFERRED INCOME TAXES - CR.	0	0	0	0	0	0	(58,903)	(67,557)	(178,401)	(236,527)
INVESTMENT TAX CREDIT ADJ. - NET	413,900	626,400	494,450	918,100	562,300	673,000	256,195	354,606	(130,303)	(315,377)
GAINS FROM DISP. OF UTILITY PLANT	0	0	0	0	0	0	0	0	0	0
LOSSES FROM DISP. OF UTILITY PLANT	0	0	0	0	0	0	0	0	0	0
TOTAL UTILITY OPERATING EXPENSES	109,371,835	140,719,090	166,381,736	180,837,353	183,169,478	175,507,994	218,038,447	203,495,915	136,883,527	140,685,398
NET UTILITY OPERATING INCOME	$6,961,864	$9,777,404	$9,719,005	$10,388,928	$9,968,390	$9,801,264	$15,542,110	$15,056,337	$9,358,082	$11,764,392
OTHER INCOME AND DEDUCTIONS										
OTHER INCOME:										
NONUTILITY OPERATING INCOME	$0	$0	$0	$0	$0	($9,185)	($8,253)	($12,401)	($22,932)	($57,916)
EQUITY IN EARNINGS OF SUBSIDIARY COMPANIES	(2,879)	(148,707)	56,982	(14,291)	60,559	64,021	65,544	81,539	41,755	(23,029)
INTEREST & DIVIDEND INCOME	150,316	55,443	21,868	24,194	260,943	78,319	312,103	573,349	925,449	453,019
ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION	0	0	0	0	0	0	0	0	0	0
MISCELLANEOUS NONOPERATING INCOME	26,534	88,408	84,925	191,654	57,890	64,851	32,289	9,751	(1,002)	(1,023)
GAIN ON DISPOSITION OF PROPERTY	48,436	0	1,054	2,064	30,025	(277)	0	33,036	0	0
TOTAL OTHER INCOME	222,407	(4,856)	164,829	203,621	409,417	197,729	401,683	685,274	943,270	371,051
OTHER INCOME DEDUCTIONS:										
LOSS ON DISPOSITION OF PROPERTY	637	0	0	8,429	0	0	0	0	0	0
MISCELLANEOUS AMORTIZATION	0	0	0	0	0	0	0	0	0	0
MISCELLANEOUS INCOME DEDUCTIONS	22,838	37,126	47,333	72,487	75,360	72,007	62,448	82,154	461,368	80,920
TOTAL OTHER INCOME DEDUCTIONS	23,475	37,126	47,333	80,916	75,360	72,007	62,448	82,154	461,368	80,920
TAXES APPLICABLE TO OTHER INCOME AND DEDUCTIONS:										
TAXES OTHER THAN INCOME TAXES	0	0	0	0	0	0	0	0	8,261	11,253
INCOME TAXES - FEDERAL	117,053	105,849	157,034	64,097	132,854	40,315	128,053	243,025	(1,431)	(113,117)
- OTHER	0	0	0	2,823	3,610	1,099	3,514	6,628	(9,455)	(827)
PROVISION FOR DEFERRED INCOME TAXES	0	0	0	0	0	0	0	0	9,901	11,903
PROVISION FOR DEFERRED INCOME TAXES - CR.	0	0	0	0	0	0	0	0	0	(197)
INVESTMENT TAX CREDIT ADJ. - NET	0	0	0	0	0	0	0	0	0	0
INVESTMENT TAX CREDITS	0	0	0	0	0	0	0	0	0	0
TOTAL TAXES ON OTHER INCOME & DEDUCTIONS	117,053	105,849	157,034	66,920	136,464	41,414	131,567	249,653	7,276	(90,985)
NET OTHER INCOME & DEDUCTIONS	$81,879	($147,831)	($39,538)	$55,785	$197,593	$84,308	$207,668	$353,467	$474,626	$381,116

CASCADE 4:TC
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CASCADE NATURAL GAS CORPORATION ** TOTAL COMPANY OPERATIONS **
STATEMENT OF INCOME (CONTINUED)

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
INTEREST CHARGES										
INTEREST ON LONG-TERM DEBT	$4,577,063	$4,622,103	$5,124,468	$6,109,857	$6,806,393	$7,416,439	$7,779,232	$7,387,021	$8,197,044	$7,454,466
AMORT. OF DEBT DISC. AND EXPENSE	165,212	148,800	147,973	145,637	196,947	196,230	222,608	216,054	321,246	397,532
AMORT. OF LOSS IN REACQUIRED DEBT	0	0	0	0	0	0	0	0	0	0
AMORT. OF PREMIUM ON DEBT-CREDIT	0	0	0	0	0	0	0	0	0	0
AMORT. OF GAIN ON REACQUIRED DEBT-CREDIT	0	0	0	0	0	0	0	0	0	0
INTEREST ON DEBT TO ASSOC. COMPANIES	0	0	0	0	0	0	0	0	0	0
OTHER INTEREST EXPENSE	38,614	41,669	234,929	21,462	(18,059)	108,685	236,896	525,403	306,192	380,935
ALLOW. FOR BORROWED FUNDS USED DURING CONSTN.	(51,079)	(117,185)	(367,278)	0	0	(239,122)	(82,314)	(99,289)	(122,218)	(60,602)
NET INTEREST CHARGES	4,729,810	4,695,387	5,140,092	6,276,956	6,985,281	7,482,232	8,156,422	8,029,189	8,702,264	8,172,331
INCOME BEFORE EXTRAORDINARY ITEMS	2,313,933	4,934,186	4,539,375	4,167,757	3,180,702	2,403,340	7,593,356	7,380,615	1,130,444	3,973,177
EXTRAORDINARY ITEMS										
NET EXTRAORDINARY ITEMS	0	0	0	0	0	0	0	0	0	0
LESS: INCOME TAXES - FEDERAL AND OTHER	0	0	0	0	0	0	0	0	0	0
EXTRAORDINARY ITEMS AFTER TAXES	0	0	0	0	0	0	0	0	0	0
NET INCOME	$2,313,933	$4,934,186	$4,539,375	$4,167,757	$3,180,702	$2,403,340	$7,593,356	$7,380,615	$1,130,444	$3,973,177

CASCADE 5:TC
JULY 26TH, 1988

CASCADE NATURAL GAS CORPORATION ** TOTAL COMPANY OPERATIONS **
STATEMENT OF UNAPPROPRIATED RETAINED EARNINGS, AND UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
STATEMENT OF UNAPPROPRIATED RET. EARNINGS										
BALANCE AT BEGINNING OF YEAR *	$7,486,901	$6,847,285	$9,239,295	$10,698,663	$11,159,895	$10,182,263	$8,357,432	$11,574,641	$14,252,067	$10,158,151
CREDITS:										
BALANCE TRANSFERRED FROM INCOME	2,316,811	5,082,893	4,482,392	4,182,048	3,120,144	2,339,319	7,527,812	7,299,076	1,088,688	3,996,207
MISCELLANEOUS CREDITS	0	0	0	0	0	0	0	0	0	0
TOTAL CREDITS	2,316,811	5,082,893	4,482,392	4,182,048	3,120,144	2,339,319	7,527,812	7,299,076	1,088,688	3,996,207
DEBITS:										
APPROPRIATIONS OF RETAINED EARNINGS	0	0	0	0	0	0	0	0	0	0
DIVIDENDS DECLARED - COMMON STOCK	2,283,653	2,089,090	2,606,924	3,363,673	3,770,885	3,857,335	4,026,474	4,737,353	4,968,501	5,117,994
DIVIDENDS DECLARED - PREFERRED STOCK	672,774	601,793	416,100	357,143	326,891	306,815	284,129	233,375	214,103	204,176
MISCELLANEOUS DEBITS	0	0	0	0	0	0	0	0	0	0
TOTAL DEBITS	2,956,427	2,690,883	3,023,024	3,720,816	4,097,776	4,164,150	4,310,603	4,970,728	5,182,604	5,322,170
BALANCE AT END OF YEAR	$6,847,285	$9,239,295	$10,698,663	$11,159,895	$10,182,263	$8,357,432	$11,574,641	$13,902,989	$10,158,151	$8,832,188
UNAPPROPRIATED UNDISTRIBUTED SUBS. EARNINGS										
BALANCE AT BEGINNING OF YEAR *	$318,132	$315,254	$166,547	$223,529	$209,238	$269,797	$333,818	$399,362	$131,823	$173,578
EQUITY IN EARNINGS FOR YEAR	(2,878)	(148,707)	56,982	(14,291)	60,559	64,021	65,544	81,539	41,755	(23,030)
DIVIDENDS RECEIVED	0	0	0	0	0	0	0	0	0	0
OTHER CHANGES	0	0	0	0	0	0	0	0	0	0
BALANCE AT END OF YEAR	$315,254	$166,547	$223,529	$209,238	$269,797	$333,818	$399,362	$480,901	$173,578	$150,548

* THE BALANCE AT BEGINNING OF YEAR FOR "UNAPPROPR EARNINGS" AND "UNAPPROPRIATED UNDISTRIBUTED SUBS" FOR 1986, DOES NOT AGREE WITH THE 1985 END OF Y TO AN ACCOUNTING ADJUSTMENT PER COMPANY.

CASCADE : 6TC
JULY 26TH, 1988

CASCADE NATURAL GAS CORPORATION ** TOTAL COMPANY OPERATIONS **
STATEMENT OF NET GAS OPERATING INCOME

STATEMENT OF NET GAS OPERATING INCOME	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
OPERATING REVENUES										
RESIDENTIAL SALES	$21,667,229	$23,918,185	$28,274,539	$27,599,797	$33,440,786	$29,845,133	$33,897,329	$35,810,311	$27,888,747	$27,345,974
COMMERCIAL SALES	29,349,982	34,877,327	43,892,020	45,304,631	55,641,500	53,300,947	57,195,130	59,722,595	44,479,150	42,135,176
INDUSTRIAL SALES	64,822,757	91,402,738	103,653,574	118,049,239	103,686,745	103,696,078	141,966,485	122,566,421	71,902,314	80,202,865
OTHER SALES	0	0	0	0	0	0	0	0	0	0
OTHER GAS REVENUES	493,731	298,244	280,608	272,614	368,837	467,100	521,613	452,925	1,971,399	2,765,774
TOTAL OPERATING REVENUES	116,333,699	150,496,494	176,100,741	191,226,281	193,137,868	187,309,258	233,580,557	218,552,252	146,241,610	152,449,789
OPERATING EXPENSES										
PRODUCTION:										
MANUFACTURED GAS	27,014	40,249	21,324	24,377	24,770	17,530	14,745	5,515	1,220	33,723
NATURAL GAS	87,361,597	113,884,382	137,735,375	149,518,628	149,917,663	141,176,605	175,659,168	160,526,882	101,511,406	101,369,485
UNDERGROUND STORAGE	0	0	0	0	0	0	0	0	0	0
OTHER STORAGE	0	0	0	0	0	0	0	0	0	0
TRANSMISSION	0	0	0	0	0	0	0	0	0	0
DISTRIBUTION	3,169,888	3,462,700	4,040,108	4,402,515	5,053,640	5,241,115	5,300,584	5,693,435	5,599,120	5,745,774
CUSTOMER ACCOUNTS	1,665,518	1,895,480	2,486,055	2,685,273	3,011,833	3,218,304	3,364,807	3,777,973	3,732,791	3,904,299
CUSTOMER SERVICE & INFORMATIONAL EXPENSES	161,916	125,916	172,336	146,576	172,296	226,356	215,357	183,324	158,552	1,479,019
SALES	508,095	700,775	746,628	811,449	865,940	896,780	1,163,990	1,123,407	1,232,621	71,544
ADMINISTRATIVE AND GENERAL	3,896,282	4,231,953	4,540,950	5,272,008	5,256,674	5,764,479	5,921,443	6,367,526	7,131,599	7,761,914
WEATHERIZATION	0	0	0	0	0	0	0	0	0	0
TOTAL OPERATION AND MAINT. EXPENSES	96,790,310	124,341,455	149,742,776	162,860,826	164,302,816	156,539,169	191,640,094	177,678,062	119,367,309	120,365,758
DEPRECIATION	3,712,257	3,864,991	4,051,422	4,461,957	4,704,786	4,926,717	5,181,255	5,392,252	5,709,819	6,148,019
AMORTIZATION	6,537	6,537	6,537	6,537	6,537	0	0	0	0	0
TAXES OTHER THAN INCOME TAXES	7,244,784	8,454,055	9,393,605	10,182,528	11,978,458	12,076,966	14,556,800	14,156,277	10,857,726	11,098,415
INCOME TAXES - FEDERAL	1,153,627	3,321,421	2,605,356	2,012,405	982,363	279,693	5,229,282	4,654,395	(992,555)	2,246,311
- OTHER	50,420	104,231	87,590	85,000	56,718	33,783	181,210	161,211	(11,986)	73,632
PROV. FOR DEFERRED INCOME TAXES	0	0	0	310,000	575,500	978,666	1,052,514	1,166,669	2,261,919	1,305,167
INCOME TAXES DEFERRED IN PRIOR YEARS (CR)	0	0	0	0	0	0	(58,903)	(67,557)	(178,401)	(236,527)
INVESTMENT TAX CREDIT ADJ. - NET	413,900	626,400	494,450	918,100	562,300	673,000	256,195	354,606	(130,303)	(315,377)
GAINS OR LOSSES FROM DISPOSITION OF UTILITY	0	0	0	0	0	0	0	0	0	0
TOTAL OPERATING EXPENSES	109,371,835	140,719,090	166,381,736	180,837,353	183,169,478	175,507,994	218,038,447	203,495,915	136,883,528	140,685,398
NET GAS OPERATING INCOME	$6,961,864	$9,777,404	$9,719,005	$10,388,928	$9,968,390	$11,801,264	$15,542,110	$15,056,337	$9,358,082	$11,764,391
OPERATING GAS REVENUES BY PERCENT										
RESIDENTIAL SALES	18.63%	15.89%	16.06%	14.43%	17.31%	15.93%	14.51%	16.39%	19.07%	17.94%
COMMERCIAL SALES	25.23	23.17	24.92	23.69	28.81	28.46	24.49	27.33	30.41	27.64
INDUSTRIAL SALES	55.72	60.73	58.86	61.73	53.69	55.36	60.78	56.08	49.17	52.61
OTHER SALES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
OTHER GAS REVENUES	0.42	0.20	0.16	0.14	0.19	0.25	0.22	0.21	1.35	1.81
TOTAL OPERATING GAS REVENUES	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

CASCADE: 6ST
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CASCADE NATURAL GAS CORPORATION ** WASHINGTON OPERATIONS ONLY **
STATEMENT OF NET GAS OPERATING INCOME

STATEMENT OF NET GAS OPERATING INCOME	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
OPERATING REVENUES										
RESIDENTIAL SALES	$16,955,996	$18,799,986	$22,231,162	$21,670,846	$26,276,049	$23,487,301	$26,525,224	$28,091,779	$21,928,137	$21,064,285
COMMERCIAL SALES	23,557,919	28,130,863	35,338,305	36,527,850	44,817,610	41,773,891	46,572,814	48,407,991	36,324,915	34,244,528
INDUSTRIAL SALES	58,271,255	84,443,194	94,742,440	107,356,886	92,797,459	92,513,743	126,153,649	109,555,626	64,652,047	72,179,441
OTHER SALES	0	0	0	0	0	0	0	0	0	0
OTHER GAS REVENUES	293,285	233,140	209,335	222,925	316,996	423,352	465,019	448,345	1,168,623	1,395,428
TOTAL OPERATING REVENUES	99,078,455	131,607,183	152,521,242	165,778,507	164,208,114	158,198,287	199,716,706	186,503,741	124,073,722	128,883,682
OPERATING EXPENSES										
PRODUCTION:										
MANUFACTURED GAS	22,704	34,184	18,284	20,804	21,160	14,856	12,277	4,588	997	27,865
NATURAL GAS	75,409,027	100,353,143	120,597,399	131,401,084	129,186,841	122,068,233	152,225,038	139,060,702	87,909,342	86,894,853
UNDERGROUND STORAGE	0	0	0	0	0	0	0	0	0	0
OTHER STORAGE	0	0	0	0	0	0	0	0	0	0
TRANSMISSION	0	0	0	0	0	0	0	0	0	0
DISTRIBUTION	2,363,322	2,695,260	3,095,824	3,404,735	3,939,960	4,088,220	4,091,940	4,361,672	4,233,628	4,364,037
CUSTOMER ACCOUNTS	1,290,639	1,470,032	1,908,003	2,065,363	2,279,347	2,463,883	2,520,445	2,871,633	2,825,199	2,948,859
CUSTOMER SERVICE & INFORMATIONAL EXPENSES	137,724	100,490	111,470	92,643	87,253	101,661	96,954	99,304	99,054	1,182,823
SALES	411,478	544,420	613,174	660,014	702,318	730,092	916,885	886,724	990,139	47,452
ADMINISTRATIVE AND GENERAL	3,057,435	3,289,877	3,467,948	4,032,183	4,046,939	4,470,975	4,597,941	4,815,134	5,469,953	5,780,739
WEATHERIZATION	0	0	0	0	0	0	0	0	0	0
TOTAL OPERATION AND MAINT. EXPENSES	82,692,329	108,487,406	129,812,102	141,676,826	140,263,818	133,937,920	164,461,480	152,099,757	101,528,312	101,246,628
DEPRECIATION	3,031,433	3,142,677	3,281,038	3,588,497	3,787,774	3,936,642	4,140,788	4,288,377	4,485,722	4,820,970
AMORTIZATION	0	0	0	0	0	0	0	0	0	0
TAXES OTHER THAN INCOME TAXES	6,529,607	7,672,125	8,540,104	9,264,179	10,919,024	11,068,025	13,402,910	12,934,935	9,695,628	9,822,678
INCOME TAXES - FEDERAL	862,206	3,056,039	2,260,928	1,674,120	683,823	209,686	4,177,150	3,862,217	(829,180)	2,181,617
- OTHER	0	0	0	0	0	0	0	0	0	0
PROV. FOR DEFERRED INCOME TAXES	0	0	0	257,889	400,606	733,706	840,748	964,310	1,874,172	1,247,808
INCOME TAXES DEFERRED IN PRIOR YEARS (CR)	0	0	0	0	0	0	(47,052)	(56,059)	(149,036)	(229,715)
INVESTMENT TAX CREDIT ADJ. - NET	309,343	576,351	429,084	765,852	367,635	488,518	202,935	301,509	(98,150)	(252,775)
GAINS OR LOSSES FROM DISPOSITION OF UTILITY	0	0	0	0	0	0	0	0	0	0
TOTAL OPERATING EXPENSES	93,424,918	122,934,598	144,323,256	157,227,363	156,422,680	150,374,497	187,178,959	174,395,046	116,507,468	118,837,211
NET GAS OPERATING INCOME	$5,653,537	$8,672,585	$8,197,986	$8,551,144	$7,785,434	$7,823,790	$12,537,747	$12,108,695	$7,566,254	$10,046,471
OPERATING GAS REVENUES BY PERCENT										
RESIDENTIAL SALES	17.11%	14.28%	14.58%	13.07%	16.00%	14.85%	13.28%	15.06%	17.67%	16.34%
COMMERCIAL SALES	23.78	21.37	23.17	22.03	27.29	26.41	23.32	25.96	29.28	26.57
INDUSTRIAL SALES	58.81	64.16	62.12	64.76	56.51	58.48	63.17	58.74	52.11	56.00
OTHER SALES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
OTHER GAS REVENUES	0.30	0.18	0.14	0.13	0.19	0.27	0.23	0.24	0.94	1.08
TOTAL OPERATING GAS REVENUES	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

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JULY 26TH, 1988

CASCADE NATURAL GAS CORPORATION ** TOTAL COMPANY OPERATIONS **
STATEMENT OF CHANGES IN FINANCIAL POSITION

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
SOURCES OF FUNDS										
NET INCOME	$2,313,933	$4,934,186	$4,539,374	$4,167,757	$3,180,703	$2,403,340	$7,593,356	$7,380,615	$1,130,443	$3,973,177
PRINCIPAL NON-CASH CHARGES (CREDITS) TO INCOME:										
DEPRECIATION & DEPLETION	3,712,257	3,864,991	4,051,422	4,461,956	4,704,786	4,926,717	5,181,255	5,392,252	5,731,343	6,186,400
AMORTIZATION	171,749	155,337	154,511	221,551	310,746	2,818	371,411	(915,820)	(2,826,143)	(2,040,163)
PROV. FOR DEF. OR FUTURE INCOME TAXES (NET)	0	0	0	310,000	575,500	978,666	993,611	1,099,112	2,093,419	1,080,346
INVESTMENT TAX CREDIT ADJUSTMENTS	413,900	626,400	438,600	918,100	562,300	673,000	256,195	354,606	(130,303)	(315,377)
OTHER (NET)	(690,731)	0	(364,243)	(496,674)	0	0	0	0	0	0
TOTAL FUNDS FROM OPERATIONS	5,921,108	9,580,914	8,819,664	9,582,690	9,334,035	8,984,541	14,395,828	13,310,765	5,998,759	8,884,383
FUNDS FROM OUTSIDE SOURCES (NEW MONEY):										
LONG-TERM DEBT	1,600,000	5,900,000	7,345,260	14,192,117	8,000,000	14,204,112	0	9,581,471	19,763,943	11,765,769
PREFERRED STOCK	0	0	0	0	0	0	0	0	0	0
COMMON STOCK	1,063,259	1,887,931	45,196	4,521,665	295,078	732,623	766,386	737,821	651,168	4,274,117
NET INCREASE IN SHORT-TERM DEBT	0	0	0	0	0	0	0	0	4,600,000	0
OTHER (NET)	1,798,932	0	723,302	59,894	92,754	0	0	0	0	0
TOTAL FUNDS FROM OUTSIDE SOURCES	4,462,191	7,787,931	8,113,758	18,773,676	8,387,832	14,936,735	766,386	10,319,292	25,015,111	16,039,886
SALE OF NON-CURRENT ASSETS	994	0	320,000	0	0	0	0	0	100,179	38,915
CONTRIBUTIONS FROM ASSOC. & SUBS. COMPANIES	0	0	0	0	0	0	0	0	0	0
OTHER (NET)	1,807,422	207,354	1,368,853	0	0	1,544,613	2,819,854	3,712,564	7,207,239	4,674,626
TOTAL SOURCES OF FUNDS	$12,191,715	$17,576,199	$18,622,275	$28,356,366	$17,721,867	$25,465,889	$17,982,068	$27,342,621	$38,321,288	$29,637,810
APPLICATION OF FUNDS										
CONSTRUCTION & PLANT EXPENDITURES (INCL.LAND):										
GROSS ADD. TO UTIL. PLANT (LESS NUCLEAR FUEL)	$5,067,629	$7,516,700	$10,565,464	$8,486,590	$7,321,213	$9,864,749	$6,070,063	$8,793,434	$11,681,422	$10,132,091
GROSS ADDITIONS TO NUCLEAR FUEL	0	0	0	0	0	0	0	0	0	0
GROSS ADDITIONS TO COMMON UTILITY PLANT	0	0	0	0	0	0	0	0	0	0
GROSS ADDITIONS TO NONUTILITY PLANT	0	670,697	2,396	0	0	0	0	0	1,006,672	0
OTHER	0	0	(367,278)	0	0	0	0	0	0	0
TOTAL APPLIC. TO CONST. & PLANT EXPEND.	5,067,629	8,187,397	10,200,582	8,486,590	7,321,213	9,864,749	6,070,063	8,793,434	12,688,094	10,132,091
DIVIDENDS ON PREFERRED STOCK	672,774	601,793	416,100	357,143	326,891	306,815	284,129	233,375	214,103	204,176
DIVIDENDS ON COMMON STOCK	2,283,653	2,089,090	2,606,924	3,363,673	3,770,885	3,857,336	4,026,474	4,737,353	4,968,501	5,117,994
FUNDS FOR RETIREMENT OF SEC. & SHORT TERM DEBT:										
LONG-TERM DEBT	3,715,500	3,800,650	5,144,760	14,816,808	4,958,912	8,236,386	6,629,558	7,535,473	18,933,403	6,415,604
PREFERRED STOCK	208,706	1,980,430	157,926	206,878	142,382	95,345	240,487	188,186	200,432	149,511
REDEMPTION OF CAPITAL STOCK	0	0	0	0	0	0	0	0	0	0
NET DECREASE IN SHORT-TERM DEBT	0	0	0	0	0	0	0	0	0	5,600,000
OTHER (NET)	0	0	0	0	0	0	0	0	0	0
PURCHASE OF OTHER NON-CURRENT ASSETS	0	314,500	0	0	0	0	243,746	590,036	0	0
INVEST. IN & ADVANCES TO ASSOC. & SUB. COM.	0	0	56,982	0	50,000	450,000	0	0	1,316,755	0
OTHER (NET)	243,453	602,339	39,001	1,125,274	1,151,584	2,655,258	487,611	5,264,764	0	2,018,434
TOTAL APPLICATION OF FUNDS	$12,191,715	$17,576,199	$18,622,275	$28,356,366	$17,721,867	$25,465,889	$17,982,068	$27,342,621	$38,321,288	$29,637,810

CASCADE: 8TC
JULY 26TH, 1988

CASCADE NATURAL GAS CORPORATION ** TOTAL COMPANY OPERTIONS **
PLANT, PRODUCTION AND SALES STATISTICS

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
GAS PLANT IN SERVICE AND HELD FOR FUTURE USE -- END OF YEAR										
INTANGIBLE PLANT	$363,891	$363,891	$363,891	$363,891	$363,891	$363,891	$363,891	$363,891	$363,891	$363,891
PRODUCTION AND STORAGE PLANT	1,555,917	1,557,127	1,557,127	1,557,128	1,557,128	1,073,438	1,073,438	1,073,438	1,073,438	1,073,438
TRANSMISSION AND DISTRIBUTION PLANT	108,183,472	114,753,751	119,454,517	128,313,791	135,053,308	143,225,268	147,482,057	152,734,725	160,916,870	170,297,546
GENERAL PLANT	7,954,322	8,524,218	10,281,168	13,165,327	13,954,282	15,513,576	16,295,523	17,419,145	21,861,878	23,898,416
TOTAL GAS PLANT IN SERVICE	118,057,602	125,198,987	131,656,703	143,400,137	150,928,609	160,176,173	165,214,909	171,591,199	184,216,077	195,543,291
PROPERTY HELD FOR FUTURE USE	0	0	0	0	0	0	0	0	0	0
LESS: ACCUM.PROV. FOR DEPR.& AMORT.- GAS	32,564,256	36,187,595	40,070,491	43,661,003	48,222,519	52,678,647	58,000,541	63,017,031	69,398,429	75,146,286
NET GAS PLANT	$85,493,346	$89,011,392	$91,586,212	$99,739,134	$102,706,090	$107,497,526	$107,214,368	$108,574,168	$114,817,648	$120,397,005
CONSTRUCTION WORK IN PROGRESS	$746,731	$880,393	$4,819,615	$910,563	$560,034	$706,630	$988,629	$2,316,028	$2,426,279	$792,078
ANNUAL GAS RECEIVED & DELIVERED(THERMS)										
GAS PRODUCED	1,676	0	0	0	0	0	0	0	0	0
GAS PURCHASED	425,827,140	470,974,368	392,795,278	401,355,740	344,568,275	342,608,559	439,327,433	439,966,180	371,194,136	467,450,334
GAS TRANSPORTED OR COMPRESSED FOR OTHERS	0	0	0	0	846,205	1,726,573	1,405,038	1,635,456	11,829,934	16,533,855
GAS RECEIVED FROM STORAGE	0	324,654	3,898,000	7,496,577	0	1,499,844	4,123,323	0	0	0
TOTAL GAS RECEIVED	425,828,816	471,299,022	396,693,278	408,852,317	345,414,480	345,834,976	444,855,794	441,601,636	383,024,070	483,984,189
GAS SOLD	425,824,444	469,394,538	393,494,114	401,163,876	343,398,647	342,681,863	442,765,881	435,792,530	369,556,673	461,729,738
GAS TRANSPORTED OR COMPRESSED FOR OTHERS	0	0	0	0	846,205	1,726,573	1,405,038	1,635,456	11,829,934	16,533,855
GAS USED BY COMPANY	193,953	200,835	169,875	148,017	188,379	216,715	208,663	219,216	186,079	178,095
GAS DELIVERED TO STORAGE	(2,398,489)	1,427,406	3,898,000	7,496,577	0	0	0	0	0	0
GAS UNACCOUNTED FOR	2,208,908	276,243	(868,711)	43,847	981,249	1,209,825	476,212	3,954,434	1,451,384	5,542,501
TOTAL GAS DELIVERED	425,828,816	471,299,022	396,693,278	408,852,317	345,414,480	345,834,976	444,855,794	441,601,636	383,024,070	483,984,189
UNACCOUNTED FOR TO TOTAL PRODUCED & PURCHASED	0.52	0.06	(0.22)	0.01	0.28	0.35	0.11	0.90	0.38	1.15
% DEPR/AMORT EXP TO TOTAL GAS PLANT IN SERV.	3.15	3.09	3.08	3.12	3.12	3.08	3.14	3.14	3.10	3.14
% NET GAS UTILITY OPR. INC. TO NET GAS PLANT	8.14	10.98	10.61	10.42	9.71	10.98	14.50	13.87	8.15	9.77
TRANS. & DISTRN. MAINS - FEET (END OF YEAR)	13,805,666	14,169,949	14,490,023	14,828,503	15,084,441	15,363,965	15,531,809	15,770,217	16,077,930	16,553,713
NO.OF METERS IN SERV.& HELD IN RESERVE (AVE.)	95,127	94,960	95,904	97,312	98,140	98,489	97,014	96,145	96,650	97,861
NUMBER OF CUSTOMERS - AVERAGE	78,083	78,592	79,866	80,559	80,470	80,127	80,765	82,570	84,511	87,404
AVERAGE B.T.U. CONTENT PER CU. FT.	1,046	1,044	1,050	1,055	1,050	1,042	1,041	1,033	1,026	1,030

CASCADE: 8ST
JULY 26TH, 1988

CASCADE NATURAL GAS CORPORATION ** WASHINGTON OPERATIONS ONLY **
PLANT, PRODUCTION AND SALES STATISTICS

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
GAS PLANT IN SERVICE AND HELD FOR FUTURE USE -- END OF YEAR										
INTANGIBLE PLANT	$138,158	$138,158	$138,158	$138,158	$257,651	$257,864	$257,499	$257,210	$256,982	$256,617
PRODUCTION AND STORAGE PLANT	0	0	0	0	1,323,403	903,620	891,061	892,885	876,892	872,598
TRANSMISSION AND DISTRIBUTION PLANT	83,141,906	88,247,785	90,961,308	98,093,569	109,173,174	116,547,628	119,518,493	123,198,641	128,463,007	136,342,859
GENERAL PLANT	4,872,977	5,156,883	5,347,118	8,096,050	10,734,206	11,558,127	11,983,755	12,906,129	16,500,330	18,117,640
TOTAL GAS PLANT IN SERVICE	88,153,041	93,542,826	96,446,584	106,327,777	121,488,434	129,267,239	132,650,808	137,254,865	146,097,211	155,589,714
PROPERTY HELD FOR FUTURE USE	0	0	0	0	0	0	0	0	0	0
LESS: ACCUM.PROV. FOR DEPR.& AMORT.- GAS	24,055,398	26,604,096	29,304,424	32,301,885	39,133,186	42,733,830	46,841,794	50,947,014	55,975,617	60,472,127
NET GAS PLANT	$64,097,643	$66,938,730	$67,142,160	$74,025,892	$82,355,248	$86,533,409	$85,809,014	$86,307,851	$90,121,594	$95,117,587
CONSTRUCTION WORK IN PROGRESS	$629,090	$611,180	$3,952,485	$689,986	$326,529	$427,151	$617,628	$978,994	$1,776,144	$544,787
ANNUAL GAS RECEIVED & DELIVERED(THERMS)										
GAS PRODUCED	1,436	0	0	0	0	0	0	0	0	0
GAS PURCHASED	368,470,809	415,992,387	343,875,990	353,351,291	297,331,611	296,881,972	382,026,519	383,961,745	330,062,684	415,671,346
GAS TRANSPORTED OR COMPRESSED FOR OTHERS	0	0	0	0	846,205	1,726,573	1,405,038	1,434,456	7,866,934	9,668,629
GAS RECEIVED FROM STORAGE	1,780,395	280,534	3,299,239	6,490,440	0	1,299,770	3,516,337	0	0	0
TOTAL GAS RECEIVED	370,252,640	416,272,921	347,175,229	359,841,731	298,177,816	299,908,315	386,947,894	385,396,201	337,929,618	425,339,975
GAS SOLD	366,530,270	413,044,091	342,456,213	351,329,450	294,411,051	295,620,381	383,929,686	379,551,562	327,949,074	411,511,202
GAS TRANSPORTED OR COMPRESSED FOR OTHERS	0	0	0	0	846,205	1,726,573	1,405,038	1,434,456	7,866,934	9,668,629
GAS USED BY COMPANY	152,335	156,872	136,063	115,673	151,629	178,964	165,495	182,625	154,770	149,646
GAS DELIVERED TO STORAGE	0	1,286,200	3,299,239	6,503,861	0	0	0	0	0	0
GAS UNACCOUNTED FOR	3,570,035	1,785,758	1,283,714	1,892,747	2,768,931	2,382,397	1,447,675	4,227,558	1,958,840	4,010,498
TOTAL GAS DELIVERED	370,252,640	416,272,921	347,175,229	359,841,731	298,177,816	299,908,315	386,947,894	385,396,201	337,929,618	425,339,975
UNACCOUNTED FOR TO TOTAL PRODUCED & PURCHASED	0.96	0.43	0.37	0.53	0.93	0.79	0.37	1.10	0.58	0.94
% DEPR/AMORT EXP TO TOTAL GAS PLANT IN SERV.	3.44	3.36	3.40	3.37	3.12	3.05	3.12	3.12	3.07	3.10
% NET GAS UTILITY OPR. INC. TO NET GAS PLANT	8.82	12.96	12.21	11.55	9.45	9.04	14.61	14.03	8.40	10.56
TRANS. & DISTRN. MAINS - FEET (END OF YEAR)	10,959,357	11,272,087	11,498,329	11,751,893	11,959,200	12,117,730	12,196,276	12,360,835	12,526,951	12,879,188
NO.OF METERS IN SERV.& HELD IN RESERVE (AVE.)	75,052	74,921	75,661	76,764	77,413	77,687	76,400	75,587	75,982	76,931
NUMBER OF CUSTOMERS - AVERAGE	61,103	61,500	62,567	63,169	63,201	62,955	63,730	64,594	66,220	68,663
AVERAGE B.T.U. CONTENT PER CU. FT.	1,046	1,044	1,050	1,055	1,050	1,042	1,041	1,033	1,026	1,030

CASCADE: 9TC
JULY 26TH, 1988

CASCADE NATURAL GAS CORPORATION ** TOTAL COMPANY OPERATIONS **
SALES SATISTICS FOR GAS OPERATIONS

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
GAS SERVICE REVENUES										
RESIDENTIAL SALES	$21,667,229	$23,918,185	$28,274,539	$27,599,797	$33,440,786	$29,845,133	$33,897,329	$35,810,311	$27,888,747	$27,345,974
COMMERCIAL SALES	29,349,982	34,877,327	43,892,020	45,304,631	55,641,500	53,300,942	57,195,130	59,722,595	44,479,150	42,135,176
INDUSTRIAL SALES	64,822,757	91,402,738	103,653,574	118,049,239	103,686,745	103,696,078	141,966,485	122,566,421	71,902,314	80,202,865
SALES FOR RESALE	0	0	0	0	0	0	0	0	0	0
TOTAL GAS SERVICE REVENUES	$115,839,968	$150,198,250	$175,820,133	$190,953,667	$192,769,031	$186,842,153	$233,058,944	$218,099,327	$144,270,211	$149,684,015
THERMS OF GAS SOLD										
RESIDENTIAL SALES	62,317,268	58,945,987	53,929,047	48,081,565	51,311,078	45,491,544	51,108,230	55,539,860	48,575,761	48,429,933
COMMERCIAL SALES	98,628,779	99,090,947	93,286,541	88,862,261	95,007,828	87,550,497	94,898,260	103,122,897	88,477,387	88,608,849
INDUSTRIAL SALES	264,878,397	311,357,604	246,278,526	269,166,765	197,079,741	209,639,781	296,759,391	277,129,773	232,503,525	324,690,956
SALES FOR RESALE	0	0	0	0	0	0	0	0	0	0
TOTAL THERMS OF GAS SOLD	425,824,444	469,394,538	393,494,114	406,110,591	343,398,647	342,681,822	442,765,881	435,792,530	369,556,673	461,729,738
AVERAGE NUMBER OF GAS CUSTOMERS PER MONTH										
RESIDENTIAL SALES	64,387	64,521	65,430	65,875	65,695	65,285	66,185	66,903	68,353	70,752
COMMERCIAL SALES	13,418	13,774	14,118	14,357	14,446	14,509	14,889	15,318	15,803	16,292
INDUSTRIAL SALES	278	297	318	327	329	333	329	349	355	360
SALES FOR RESALE	0	0	0	0	0	0	0	0	0	0
TOTAL GAS CUSTOMERS	78,083	78,592	79,866	80,559	80,470	80,127	81,403	82,570	84,511	87,404
AVE. GAS SERVICE REVENUE/THERM SOLD (CENTS)										
RESIDENTIAL SALES	34.77	40.58	52.43	57.40	65.17	65.61	66.32	64.48	57.41	56.47
COMMERCIAL SALES	29.76	35.20	47.05	50.98	58.57	60.88	60.27	57.91	50.27	47.55
INDUSTRIAL SALES	24.47	29.36	42.09	43.86	52.61	49.46	47.84	44.23	30.93	24.70
SALES FOR RESALE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	27.20	32.00	44.68	47.02	56.14	54.52	52.64	50.05	39.04	32.42
AVERAGE GAS SERVICE REVENUE PER CUSTOMER										
RESIDENTIAL SALES	$337	$371	$432	$419	$509	$457	$512	$535	$408	$387
COMMERCIAL SALES	2,187	2,532	3,109	3,156	3,852	3,674	3,841	3,899	2,815	2,586
INDUSTRIAL SALES	233,175	307,753	325,955	361,007	315,157	311,400	431,509	351,193	202,542	222,786
SALES FOR RESALE	0	0	0	0	0	0	0	0	0	0
TOTAL	1,484	1,911	2,201	2,370	2,396	2,332	2,863	2,641	1,707	1,713
AVERAGE THERMS OF GAS SOLD PER CUSTOMER										
RESIDENTIAL SALES	968	914	824	730	781	697	772	830	711	685
COMMERCIAL SALES	7,350	7,194	6,608	6,189	6,577	6,034	6,374	6,732	5,599	5,439
INDUSTRIAL SALES	952,800	1,048,342	774,461	823,140	599,027	629,549	902,004	794,068	654,940	901,919
SALES FOR RESALE	0	0	0	0	0	0	0	0	0	0
TOTAL	5,453	5,973	4,927	5,041	4,267	4,277	5,439	5,278	4,373	5,283

NOTE: One therm is equal to 100,000 B.T.U.

CASCADE: 9ST
JULY 26TH, 1988

CASCADE NATURAL GAS CORPORATION ** WASHINGTON OPERATIONS ONLY **
SALES STATISTICS FOR GAS OPERATIONS

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
GAS SERVICE REVENUES										
RESIDENTIAL SALES	$16,955,996	$18,799,986	$22,231,162	$21,670,846	$26,276,049	$23,487,301	$26,525,224	$28,091,779	$21,928,137	$21,064,285
COMMERCIAL SALES	23,557,919	28,130,863	35,338,305	36,527,850	44,817,610	41,773,891	46,572,814	48,407,991	36,324,915	34,244,528
INDUSTRIAL SALES	58,271,255	84,443,194	94,742,440	107,356,886	92,797,459	92,513,743	126,153,649	109,555,626	64,652,047	72,179,441
SALES FOR RESALE	0	0	0	0	0	0	0	0	0	0
TOTAL GAS SERVICE REVENUES	$98,785,170	$131,374,043	$152,311,907	$165,555,582	$163,891,118	$157,774,935	$199,251,687	$186,055,396	$122,905,099	$127,488,254
THERMS OF GAS SOLD										
RESIDENTIAL SALES	48,808,701	46,209,841	42,629,305	38,142,938	40,738,961	36,194,110	40,460,489	44,231,088	38,938,818	38,789,742
COMMERCIAL SALES	78,915,458	79,159,800	74,606,224	71,593,737	76,579,177	71,357,004	77,210,396	83,949,077	72,620,772	72,855,245
INDUSTRIAL SALES	238,806,111	287,674,450	225,220,684	245,924,983	177,092,912	188,069,267	266,258,801	251,371,397	216,389,484	299,866,215
SALES FOR RESALE	0	0	0	0	0	0	0	0	0	0
TOTAL THERMS OF GAS SOLD	366,530,270	413,044,091	342,456,213	355,661,658	294,411,050	295,620,381	383,929,686	379,551,562	327,949,074	411,511,202
AVERAGE NUMBER OF GAS CUSTOMERS PER MONTH										
RESIDENTIAL SALES	50,406	50,590	51,425	51,864	51,819	51,519	52,065	52,616	53,867	55,945
COMMERCIAL SALES	10,466	10,665	10,876	11,032	11,110	11,165	11,402	11,701	12,076	12,436
INDUSTRIAL SALES	231	245	266	273	272	271	263	277	277	282
SALES FOR RESALE	0	0	0	0	0	0	0	0	0	0
TOTAL GAS CUSTOMERS	61,103	61,500	62,567	63,169	63,201	62,955	63,730	64,594	66,220	68,663
AVE. GAS SERVICE REVENUE/THERM SOLD (CENTS)										
RESIDENTIAL SALES	34.74	40.68	52.15	56.81	64.50	64.89	65.56	63.51	56.31	54.30
COMMERCIAL SALES	29.85	35.54	47.37	51.02	58.52	58.54	60.32	57.66	50.02	47.00
INDUSTRIAL SALES	24.40	29.35	42.07	43.65	52.40	49.19	47.38	43.58	29.88	24.07
SALES FOR RESALE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	26.95	31.81	44.48	46.55	55.67	53.37	51.90	49.02	37.48	30.98
AVERAGE GAS SERVICE REVENUE PER CUSTOMER										
RESIDENTIAL SALES	$336	$372	$432	$418	$507	$456	$509	$534	$407	$377
COMMERCIAL SALES	2,251	2,638	3,249	3,311	4,034	3,742	4,085	4,137	3,008	2,754
INDUSTRIAL SALES	252,257	344,666	356,175	393,249	341,167	341,379	479,672	395,508	233,401	255,955
SALES FOR RESALE	0	0	0	0	0	0	0	0	0	0
TOTAL	$1,617	$2,136	$2,434	$2,621	$2,593	$2,506	$3,126	$2,880	1,856	1,857
AVERAGE THERMS OF GAS SOLD PER CUSTOMER										
RESIDENTIAL SALES	968	913	829	735	786	703	777	841	723	693
COMMERCIAL SALES	7,540	7,422	6,860	6,490	6,893	6,391	6,772	7,175	6,014	5,858
INDUSTRIAL SALES	1,033,793	1,174,181	846,694	900,824	651,077	693,983	1,012,391	907,478	781,189	1,063,355
SALES FOR RESALE	0	0	0	0	0	0	0	0	0	0
TOTAL	5,999	6,716	5,473	5,630	4,658	4,696	6,024	5,876	4,952	5,993

NOTE: One therm is equal to 100,000 B.T

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JULY 26TH, 1988

NORTHWEST NATURAL GAS COMPANY ** TOTAL COMPANY OPERATIONS **
BALANCE SHEET -- ASSETS AND OTHER DEBITS

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
UTILITY PLANT										
UTILITY PLANT	$271,550,402	$296,608,385	$324,677,571	$353,657,520	$377,214,126	$394,961,276	$427,264,735	$444,954,422	$474,748,516	$501,355,895
CONSTRUCTION WORK IN PROGRESS	157,022	346,062	0	0	0	0	0	529,121	580,218	208,166
TOTAL UTILITY PLANT	271,707,424	296,954,447	324,677,571	353,657,520	377,214,126	394,961,276	427,264,735	445,483,543	475,328,734	501,564,061
LESS ACCUM. PROV. FOR DEPR.AMORT. & DEPL.	47,799,893	54,324,003	61,931,672	69,906,457	78,496,241	87,696,229	99,374,206	106,948,683	119,625,615	132,148,802
NET UTILITY PLANT	223,907,531	242,630,444	262,745,899	283,751,063	298,717,885	307,265,047	327,890,529	338,534,860	355,703,119	369,415,259
GAS STORED UNDERGROUND - NONCURRENT	0	0	0	0	0	0	0	0	0	2,842,517
UTILITY PLANT ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0
OTHER PROPERTY AND INVESTMENTS										
NONUTIL. PROP.(LESS ACCUM. DEPR.& AMORT.)	0	0	2,734,899	2,998,727	2,895,016	2,870,170	2,790,710	2,679,002	2,498,069	2,331,033
INVESTMENT IN ASSOCIATED COMPANIES	0	0	0	0	0	0	0	0	0	0
INVESTMENT IN SUBSIDIARY COMPANIES	(102,405)	(423,992)	652,128	3,121,024	3,754,342	4,785,882	2,187,369	10,407,394	12,360,022	26,124,905
OTHER INVESTMENTS	36,978	23,022	9,075	12,575	16,321	41,218	66,109	66,395	64,558	(2,171)
SPECIAL FUNDS	0	0	0	0	0	0	0	0	0	0
TOTAL OTHER PROPERTY AND INVESTMENTS	(65,427)	(400,970)	3,396,102	6,132,326	6,665,679	7,697,270	5,044,188	13,152,791	14,922,649	28,453,767
CURRENT AND ACCRUED ASSETS										
CASH	786,171	1,920,136	627,155	500,310	64,323	48,983	1,513,148	3,486,352	276,831	234,735
SPECIAL DEPOSITS	535	535	535	535	535	535	535	5,535	5,000	5,000
WORKING FUNDS	37,537	40,283	36,358	39,661	38,598	24,240	40,701	31,291	36,703	34,028
TEMPORARY CASH INVESTMENTS	0	0	0	0	9,785,189	6,598,407	6,035,016	0	2,000,000	500,000
NOTES & ACCTS. REC.(LESS PROV. FOR UNCOLL. ACCTS.)	26,936,870	38,372,869	37,186,789	35,378,599	37,423,655	40,893,767	43,158,428	48,406,469	29,601,515	32,355,306
RECEIVABLES FROM ASSOC. COMPANIES	130,390	773,327	256,502	126,239	465,422	(1,504,348)	298,048	(276,083)	3,510,457	4,518,782
MATERIALS AND SUPPLIES	2,275,448	3,245,745	4,067,147	4,305,623	3,703,383	3,387,414	3,048,337	3,284,786	3,169,851	3,213,273
GAS STORED UNDERGROUND - CURRENT	0	0	0	0	0	2,308,499	2,424,956	1,735,908	1,719,730	7,060,514
LIQUEFIED NATURAL GAS STORED	3,752,705	4,512,878	5,245,929	5,739,443	6,602,475	7,419,838	7,536,988	7,452,973	5,553,006	4,594,482
PREPAYMENTS	152,571	413,682	1,551,541	583,842	2,250,848	2,475,747	2,865,213	3,233,126	4,251,880	4,752,449
ADVANCES FOR GAS EXPLORATION, DEV. & PRODUCTION	0	0	0	0	0	0	0	0	0	0
OTHER ADVANCES FOR GAS	0	0	0	0	0	0	0	0	0	0
INTEREST AND DIVIDENDS RECEIVABLE	0	0	0	0	345,804	2,992	0	352	944	87
RENTS RECEIVABLE	0	0	0	0	0	0	0	0	44,364	57,007
ACCRUED UTILITY REVENUES	0	0	0	0	0	0	0	0	0	19,587,314
MISC. CURRENT AND ACCRUED ASSETS	0	0	0	0	0	0	0	0	0	0
TOTAL CURRENT AND ACCRUED ASSETS	34,072,227	49,279,455	48,971,956	46,674,252	60,680,232	61,656,074	66,921,370	67,360,709	50,170,281	76,912,977
DEFERRED DEBITS										
UNAMORTIZED DEBT EXPENSE	887,145	763,316	646,598	696,756	1,694,179	1,465,788	1,251,142	1,530,039	3,403,553	3,842,018
EXTRAORDINARY PROPERTY LOSSES	1,041,685	578,713	115,741	0	0	0	0	247,916	148,748	49,580
PRELIM. SURVEY & INVESTIGATION CHARGES	0	0	0	0	0	0	0	0	0	0
CLEARING ACCOUNTS	(48,276)	(8,740)	(90,248)	(45,996)	(33,131)	0	0	0	0	0
TEMPORARY FACILITIES	0	0	0	0	0	0	0	0	0	0
MISCELLANEOUS DEFERRED DEBITS	6,493,841	7,761,057	10,218,531	14,464,148	20,736,212	28,402,485	18,832,952	18,219,033	23,284,186	13,412,180
DEFERRED LOSSES FROM DISP. OF UTILITY PLANT	0	0	0	0	0	0	0	0	0	0
RESEARCH, DEVELOPMENT & DEMO. EXPENDITURES	0	0	0	0	0	0	0	0	0	0
UNAMORTIZED LOSS ON REACQUIRED DEBT	0	0	0	0	0	0	0	0	0	0
ACCUMULATED DEFERRED INCOME TAXES	0	0	0	0	0	0	0	0	0	0
UNRECOVERED PURCHASED GAS COSTS	0	(346,358)	(1,205,235)	(339,807)	(14,152)	(2,391,336)	(702,799)	(2,813,151)	(3,496,166)	(6,515,293)
TOTAL DEFERRED DEBITS	8,374,395	8,747,988	9,685,387	14,775,101	22,383,108	27,476,937	19,381,295	17,183,837	23,340,321	10,788,485
TOTAL ASSETS AND OTHER DEBITS	$266,288,726	$300,256,917	$324,799,344	$351,332,742	$388,446,904	$404,095,328	$419,237,382	$436,232,197	$444,136,370	$488,413,005

NWNG: 2
JULY 26TH, 1988

NORTHWEST NATURAL GAS COMPANY ** TOTAL COMPANY OPERATIONS **
BALANCE SHEET -- LIABILITIES AND OTHER CREDITS

PROPRIETARY CAPITAL	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
COMMON STOCK ISSUED	$21,925,188	$24,650,444	$25,066,992	$25,714,572	$26,792,626	$27,912,718	$29,429,884	$31,216,114	$32,284,308	$33,124,533
PREFERRED STOCK ISSUED	28,358,500	27,578,500	42,798,500	41,931,000	40,854,975	39,393,725	34,920,725	28,478,875	25,027,450	22,137,325
CAPITAL STOCK SUBSCRIBED	0	0	0	0	0	0	0	0	0	0
STOCK LIABILITY FOR CONVERSION	0	0	0	0	0	0	0	0	0	0
PREMIUM ON CAPITAL STOCK	24,315,993	33,813,242	35,082,330	36,690,875	39,421,259	42,548,927	47,911,534	55,172,898	60,253,492	64,420,730
OTHER PAID-IN CAPITAL	489,766	543,501	639,409	765,748	924,446	1,121,806	1,327,823	1,473,114	1,583,440	1,611,756
INSTALLMENTS RECEIVED ON CAPITAL STOCK	7,545	2,925	2,974	10,808	10,536	2,144	4,767	4,315	10,174	7,666
DISCOUNT ON CAPITAL STOCK	0	0	0	0	0	0	0	0	0	0
CAPITAL STOCK EXPENSE	0	0	0	0	0	0	0	0	0	0
RETAINED EARNINGS	36,200,753	42,369,668	43,866,029	45,754,027	48,815,553	50,805,906	57,574,438	63,124,426	66,841,241	74,031,694
UNAPP. UNDISTRIBUTED SUBSIDIARY EARNINGS	0	0	316,136	1,871,147	2,469,657	3,107,913	497,028	1,060,730	(525,383)	(1,010,459)
REACQUIRED CAPITAL STOCK	0	0	0	0	0	0	0	0	0	0
TOTAL PROPRIETARY CAPITAL	111,297,745	128,958,280	147,772,370	152,738,177	159,289,052	164,893,139	171,666,199	180,530,472	185,474,722	194,323,245
LONG TERM DEBT										
BONDS	92,662,000	87,233,000	81,790,000	106,346,000	100,516,000	94,555,000	82,180,000	91,858,000	107,795,000	122,019,000
ADVANCES FROM ASSOCIATED COMPANIES	0	0	0	0	0	0	0	0	0	0
OTHER LONG-TERM DEBT	8,437,000	13,690,000	16,943,000	6,196,000	43,929,000	43,462,000	42,995,000	40,000,000	40,000,000	40,000,000
UNAMORTIZED PREMIUM ON LONG-TERM DEBT	0	0	0	0	0	0	0	0	0	0
UNAMORTIZED DISCOUNT ON LONG-TERM DEBT	0	0	0	0	0	0	0	0	0	0
TOTAL LONG-TERM DEBT	101,099,000	100,923,000	98,733,000	112,542,000	144,445,000	138,017,000	125,175,000	131,858,000	147,795,000	162,019,000
OTHER NONCURRENT LIABILITIES										
OBLIGATIONS UNDER CAPITAL LEASES--NONCURRENT	0	0	0	0	0	0	0	0	0	91,894
ACCUMULATED OPERATING RESERVES	241,174	365,487	388,417	405,447	173,640	4,531,331	4,055,530	3,651,034	3,025,168	3,286,259
ACCUMULATED PROVISIONS FOR RATE REFUNDS	0	0	0	0	0	0	0	0	0	0
TOTAL OTHER NONCURRENT LIABILITIES	241,174	365,487	388,417	405,447	173,640	4,531,331	4,055,530	3,651,034	3,025,168	3,378,153
CURRENT AND ACCRUED LIABILITIES										
NOTES PAYABLE	11,000,000	12,700,000	18,500,000	20,525,000	9,700,000	9,000,000	29,500,000	36,000,000	26,550,000	39,665,000
ACCOUNTS PAYABLE	24,435,105	36,003,212	33,465,948	34,634,043	34,365,267	43,282,226	42,686,653	40,241,298	27,110,426	30,413,683
PAYABLES TO ASSOCIATED COMPANIES	0	0	470,713	470,713	470,713	0	(3,328)	0	0	0
CUSTOMER DEPOSITS	534,725	542,750	522,799	522,280	525,985	699,754	882,923	1,053,772	1,132,242	1,015,509
TAXES ACCRUED	4,228,090	5,151,254	2,999,554	2,482,331	3,076,260	3,290,388	4,085,868	1,449,272	4,108,245	3,765,473
INTEREST ACCRUED	2,350,155	2,356,489	2,331,839	4,288,056	8,177,651	8,089,809	7,872,916	7,167,092	7,201,557	7,542,792
DIVIDENDS DECLARED	0	0	0	0	0	0	0	0	0	0
MATURED LONG TERM DEBT	0	0	0	0	0	0	0	0	0	0
MATURED INTEREST	0	0	0	0	0	0	0	0	0	0
TAX COLLECTIONS PAYABLE	116,584	126,728	140,540	159,238	(198)	(538)	(35)	404,558	449,365	516,920
MISC. CURRENT & ACCRUED LIABILITIES	247,949	283,009	220,846	261,498	325,291	364,229	413,442	449,208	669,431	998,480
OBLIGATIONS UNDER CAPITAL LEASES--CURRENT	0	0	0	0	0	0	0	0	0	14,876
TOTAL CURRENT AND ACCRUED LIABILITIES	42,912,608	57,163,442	58,652,239	63,343,159	56,640,969	64,725,868	85,438,439	86,765,200	67,221,266	83,932,733
DEFERRED CREDITS										
CUSTOMER ADVANCES FOR CONSTRUCTION	31,665	27,608	2,583,877	2,573,946	2,552,790	2,558,349	2,557,356	20,533	33,490	41,858
ACCUMULATED DEFERRED INVESTMENT TAX CREDITS	7,077,437	9,065,098	11,339,449	13,823,399	15,494,729	17,059,191	19,285,614	20,572,034	19,884,796	19,049,913
DEFERRED GAINS FROM DISP.OF UTILITY PLANT	0	0	0	276,203	276,203	522,462	276,203	276,203	276,203	276,203
OTHER DEFERRED CREDITS	0	0	1,068,979	0	0	0	0	0	0	0
UNAMORTIZED GAIN ON REACQUIRED DEBT	0	0	0	0	0	0	0	0	0	0
ACCUMULATED DEFERRED INCOME TAXES	3,629,097	3,754,002	4,261,013	5,630,411	9,574,521	11,787,988	10,783,041	12,558,721	20,425,725	25,391,900
TOTAL DEFERRED CREDITS	10,738,199	12,846,708	19,253,318	22,303,959	27,898,243	31,927,990	32,902,214	33,427,491	40,620,214	44,759,874
TOTAL LIABILITIES AND OTHER CREDITS	$266,288,726	$300,256,917	$324,799,344	$351,332,742	$388,446,904	$404,095,328	$419,237,382	$436,232,197	$444,136,370	$488,413,005

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JULY 26TH, 1988

NORTHWEST NATURAL GAS COMPANY ** TOTAL COMPANY OPERATIONS **
STATEMENT OF INCOME

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
UTILITY OPERATING INCOME										
OPERATING REVENUES	$235,716,662	$298,110,070	$335,610,182	$359,370,154	$375,740,279	$364,193,781	$417,503,753	$412,157,593	$314,852,407	$308,917,364
OPERATING EXPENSES:										
OPERATION EXPENSES	184,133,077	238,233,101	279,215,122	296,430,400	305,042,749	287,716,235	326,163,309	315,251,584	218,400,601	211,843,805
MAINTENANCE EXPENSES	2,881,297	3,841,985	4,287,539	5,184,882	4,835,341	5,023,243	4,835,570	4,276,948	6,625,780	6,915,019
DEPRECIATION EXPENSE	8,712,173	9,234,885	10,080,941	10,936,787	11,812,703	13,575,707	14,858,453	16,055,096	17,117,005	18,583,292
AMORT. & DEPL. OF UTILITY PLANT	0	0	0	0	0	0	0	0	0	0
AMORT. OF UTILITY PLANT ACQ. ADJ.	462,972	462,972	462,972	115,741	0	0	0	0	0	0
AMORT. OF PROPERTY LOSSES	325,295	0	0	0	0	0	0	44,634	99,168	99,168
AMORT. OF CONVERSION EXPENSES	0	0	0	0	0	0	0	0	0	0
TAXES OTHER THAN INCOME TAXES	9,363,566	10,507,206	11,857,088	12,786,794	13,846,350	14,763,680	17,000,572	18,208,177	16,811,232	17,981,671
INCOME TAXES - FEDERAL	5,102,428	6,420,164	2,694,573	1,824,921	1,857,162	5,275,455	12,500,284	11,217,166	9,532,038	9,181,067
- OTHER	1,176,419	1,591,412	1,022,502	966,809	804,026	1,499,628	2,814,959	2,548,741	1,545,829	1,549,223
PROVISION FOR DEFERRED INCOME TAXES	3,209,263	3,999,452	4,898,618	3,358,190	3,890,550	2,254,852	(1,126,312)	2,700,286	5,011,857	1,609,268
PROVISION FOR DEFERRED INCOME TAXES - CR.	(2,392,294)	(3,874,547)	(4,391,607)	(2,084,327)	0	0	0	0	2,299,232	3,286,123
INVESTMENT TAX CREDIT ADJ. - NET	1,408,579	2,216,993	2,539,810	2,923,662	2,006,122	1,725,245	2,395,309	2,228,257	(489,151)	(841,545)
GAINS FROM DISP. OF UTILITY PLANT	0	0	0	0	0	0	0	0	0	0
LOSSES FROM DISP. OF UTILITY PLANT	0	0	0	0	0	0	0	0	0	0
TOTAL UTILITY OPERATING EXPENSES	214,382,775	272,633,623	312,667,558	332,443,859	344,095,003	331,834,045	379,442,144	372,530,889	276,953,591	270,207,091
NET UTILITY OPERATING INCOME	21,333,887	25,476,447	22,942,624	26,926,295	31,645,276	32,359,736	38,061,609	39,626,704	37,898,816	38,710,273
OTHER INCOME AND DEDUCTIONS										
OTHER INCOME:										
NONUTILITY OPERATING INCOME	(118,675)	(81,597)	(33,976)	270,436	199,116	43,375	(164,756)	(250,818)	(403,050)	(119,309)
EQUITY IN EARNINGS OF SUBSIDIARY COMPANIES	(103,405)	(331,586)	751,128	1,555,011	598,510	638,256	(2,610,885)	(115,314)	(1,586,113)	(485,076)
INTEREST & DIVIDEND INCOME	209,555	105,536	387,445	1,169,502	1,604,677	1,742,616	1,123,820	903,032	1,040,967	1,321,565
ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION	0	0	0	0	0	0	0	0	0	0
MISCELLANEOUS NONOPERATING INCOME	313,545	174,518	232,266	339,537	417,947	369,747	156,697	53,395	11,675	41,998
GAIN ON DISPOSITION OF PROPERTY	228,563	0	0	0	0	654,326	246,259	0	0	22,418
TOTAL OTHER INCOME	529,583	(133,129)	1,336,863	3,334,486	2,820,250	3,448,320	(1,248,865)	590,295	(936,521)	781,596
OTHER INCOME DEDUCTIONS:										
LOSS ON DISPOSITION OF PROPERTY	0	31,959	0	0	0	325,182	0	30,349	30,349	30,349
MISCELLANEOUS AMORTIZATION	0	0	0	0	0	0	31,082	433,796	0	0
MISCELLANEOUS INCOME DEDUCTIONS	262,077	267,437	286,469	331,816	326,181	418,588	1,071,750	778,476	685,366	908,743
TOTAL OTHER INCOME DEDUCTIONS	262,077	299,396	286,469	331,816	326,181	743,770	1,102,832	1,242,621	715,715	939,092
TAXES APPLICABLE TO OTHER INCOME AND DEDUCTIONS:										
TAXES OTHER THAN INCOME TAXES	0	0	4,826	0	0	0	0	0	0	0
INCOME TAXES - FEDERAL	(167,394)	(148,902)	(136,239)	(450,017)	(92,050)	122,890	(495,054)	(504,617)	(863,275)	(465,323)
- OTHER	(26,754)	(24,833)	(22,623)	(17,359)	(17,772)	49,201	(64,583)	(75,689)	(139,977)	(61,028)
PROVISION FOR DEFERRED INCOME TAXES	0	0	0	95,535	53,560	106,125	60,365	70,273	257,267	70,784
PROVISION FOR DEFERRED INCOME TAXES - CR.	0	0	0	0	0	0	0	0	0	0
INVESTMENT TAX CREDIT ADJ. - NET	0	0	0	31,377	(1,031)	348	(2,310)	(250)	0	0
INVESTMENT TAX CREDITS	0	0	0	0	0	0	0	0	0	0
TOTAL TAXES ON OTHER INCOME & DEDUCTIONS	(194,148)	(173,735)	(154,036)	(340,464)	(57,293)	278,564	(501,582)	(510,283)	(745,985)	(455,567)
NET OTHER INCOME & DEDUCTIONS	$461,654	($258,790)	$1,204,430	$3,343,134	$2,551,362	$2,425,986	($1,850,115)	($142,043)	($906,251)	$298,071

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JULY 26TH, 1988

NORTHWEST NATURAL GAS COMPANY ** TOTAL COMPANY OPERATIONS **
STATEMENT OF INCOME (CONTINUED)

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
INTEREST CHARGES										
INTEREST ON LONG-TERM DEBT	$9,015,355	$8,968,629	$8,956,385	$10,734,270	$15,169,029	$16,904,020	$15,406,315	$15,134,970	$15,850,936	$16,862,741
AMORT. OF DEBT DISC. AND EXPENSE	125,746	123,829	116,719	120,177	192,691	235,481	225,662	229,104	277,168	358,260
AMORT. OF LOSS IN REACQUIRED DEBT	0	0	0	0	0	0	0	0	0	0
AMORT. OF PREMIUM ON DEBT-CREDIT	0	0	0	0	0	0	0	0	0	0
AMORT. OF GAIN ON REACQUIRED DEBT-CREDIT	0	0	0	0	0	0	0	0	0	0
INTEREST ON DEBT TO ASSOC. COMPANIES	0	0	0	143,401	35,589	81,553	219,768	146,281	167,213	190,064
OTHER INTEREST EXPENSE	260,888	672,079	1,359,741	2,386,978	1,107,389	405,821	638,286	1,304,576	1,077,567	1,076,154
ALLOW. FOR BORROWED FUNDS USED DURING CONSTN.	0	0	0	0	0	(47,802)	(35,738)	(36,649)	(9,338)	(158)
NET INTEREST CHARGES	9,401,989	9,764,537	10,432,845	13,384,826	16,504,698	17,579,073	16,454,293	16,778,282	17,363,546	18,487,061
INCOME BEFORE EXTRAORDINARY ITEMS	12,393,552	15,453,120	13,714,209	16,884,603	17,691,940	17,206,649	19,757,201	22,706,379	19,629,019	20,521,283
EXTRAORDINARY ITEMS										
NET EXTRAORDINARY ITEMS	0	0	0	0	0	0	0	0	0	8,367,091
LESS: INCOME TAXES - FEDERAL AND OTHER	0	0	0	0	0	0	0	0	0	4,171,832
EXTRAORDINARY ITEMS AFTER TAXES	0	0	0	0	0	0	0	0	0	4,195,259
NET INCOME	$12,393,552	$15,453,120	$13,714,209	$16,884,603	$17,691,940	$17,206,649	$19,757,201	$22,706,379	$19,629,019	$24,716,542

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JULY 26TH, 1988

NORTHWEST NATURAL GAS COMPANY ** TOTAL COMPANY OPERATIONS **
STATEMENT OF UNAPPROPRIATED RETAINED EARNINGS, AND UNAPPROPRIATED
UNDISTRIBUTED SUBSIDIARY EARNINGS

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
STATEMENT OF UNAPPROPRIATED RET. EARNINGS										
BALANCE AT BEGINNING OF YEAR	$32,630,258	$36,200,753	$42,369,668	$43,866,029	$45,754,027	$48,815,553	$50,805,906	$57,574,438	$63,124,426	$66,841,241
CREDITS:										
BALANCE TRANSFERRED FROM INCOME	12,393,552	15,453,120	12,963,081	15,329,592	17,093,430	16,568,393	22,368,086	22,821,693	21,215,132	25,201,618
MISCELLANEOUS CREDITS	0	0	434,992	0	0	0	0	0	0	0
TOTAL CREDITS	12,393,552	15,453,120	13,398,073	15,329,592	17,093,430	16,568,393	22,368,086	22,821,693	21,215,132	25,201,618
DEBITS:										
APPROPRIATIONS OF RETAINED EARNINGS	0	0	0	0	0	0	0	0	0	0
DIVIDENDS DECLARED - COMMON STOCK	6,304,260	7,126,670	8,617,490	9,910,584	10,565,313	11,179,716	12,386,478	13,926,992	15,329,693	16,069,356
DIVIDENDS DECLARED - PREFERRED STOCK	1,963,264	2,103,054	2,553,082	3,526,638	3,448,501	3,385,259	3,203,961	2,654,870	2,154,102	1,919,177
MISCELLANEOUS DEBITS	555,533	54,481	731,140	4,372	18,090	13,065	9,115	689,843	14,522	22,632
TOTAL DEBITS	8,823,057	9,284,205	11,901,712	13,441,594	14,031,904	14,578,040	15,599,554	17,271,705	17,498,317	18,011,165
BALANCE AT END OF YEAR	$36,200,753	$42,369,668	$43,866,029	$45,754,027	$48,815,553	$50,805,906	$57,574,438	$63,124,426	$66,841,241	$74,031,694
UNAPPROPRIATED UNDISTRIBUTED SUBS. EARNINGS										
BALANCE AT BEGINNING OF YEAR	$0	$0	$0	$316,136	$1,871,147	$2,469,657	$3,107,913	$497,028	$1,060,730	($525,383)
EQUITY IN EARNINGS FOR YEAR	0	0	751,128	1,555,011	598,510	638,256	(2,610,885)	(115,314)	(1,586,113)	(485,076)
DIVIDENDS RECEIVED	0	0	0	0	0	0	0	0	0	0
OTHER CHANGES	0	0	(434,992)	0	0	0	0	679,016	0	0
BALANCE AT END OF YEAR	$0	$0	$316,136	$1,871,147	$2,469,657	$3,107,913	$497,028	$1,060,730	($525,383)	($1,010,459)

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JULY 26TH, 1988

NORTHWEST NATURAL GAS COMPANY ** TOTAL COMPANY OPERATIONS **
STATEMENT OF NET GAS OPERATING INCOME

STATEMENT OF NET GAS OPERATING INCOME	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
OPERATING REVENUES										
RESIDENTIAL SALES	$64,191,766	$74,443,047	$88,119,934	$88,995,440	$111,148,702	$104,580,654	$122,178,763	$130,897,268	$111,992,501	$107,770,105
COMMERCIAL SALES	37,096,861	47,306,218	59,853,781	63,276,664	80,483,030	77,517,869	90,794,127	98,170,761	79,099,399	73,079,336
INDUSTRIAL SALES	131,476,296	173,105,641	183,006,149	205,898,866	175,912,003	178,475,974	203,776,746	178,162,803	104,632,831	122,516,227
OTHER SALES	0	0	0	0	0	0	0	0	0	0
OTHER OPERATING REVENUES	2,951,739	3,255,164	4,630,318	1,199,184	8,196,544	3,619,284	754,117	4,926,761	19,127,676	5,551,696
TOTAL OPERATING REVENUES	235,716,662	298,110,070	335,610,182	359,370,154	375,740,279	364,193,781	417,503,753	412,157,593	314,852,407	308,917,364
OPERATING EXPENSES										
PRODUCTION:										
MANUFACTURED GAS	37,989	54,060	62,812	58,150	63,411	58,797	62,694	55,935	61,957	49,854
NATURAL GAS	167,329,832	216,941,493	254,079,845	268,218,321	272,163,938	251,371,488	287,512,144	272,388,080	179,918,071	172,420,446
UNDERGROUND STORAGE	0	0	0	0	0	0	0	0	0	0
OTHER STORAGE	297,793	558,589	674,987	685,766	673,581	833,408	803,166	756,316	782,762	795,271
TRANSMISSION	72,174	55,023	45,819	60,504	71,410	83,199	61,698	60,033	66,797	49,049
DISTRIBUTION	7,335,826	8,776,015	9,503,792	11,055,979	11,561,575	12,331,383	12,927,050	13,255,724	12,312,493	12,642,189
CUSTOMER ACCOUNTS	5,150,238	6,261,045	7,221,191	8,523,649	10,224,127	10,144,327	10,667,102	12,083,665	6,985,456	7,237,426
CUSTOMER SERVICE & INFORMATIONAL EXPENSES	0	0	1,073,697	1,359,516	2,505,483	4,563,098	3,227,890	3,413,734	2,992,282	2,428,246
SALES	945,745	1,183,000	1,398,296	1,567,881	1,779,942	1,890,218	2,215,595	2,628,241	4,025,669	4,434,710
ADMINISTRATIVE AND GENERAL	5,632,479	7,449,982	8,765,410	10,085,516	10,834,623	11,463,559	13,521,540	14,886,804	17,880,894	18,701,633
WEATHERIZATION	212,298	795,879	676,812	0	0	0	0	0	0	0
TOTAL OPERATION AND MAINT. EXPENSES	187,014,374	242,075,086	283,502,661	301,615,282	309,878,090	292,739,477	330,998,879	319,528,532	225,026,381	218,758,824
DEPRECIATION	8,712,173	9,234,885	10,080,941	10,936,787	11,812,703	13,575,707	14,858,453	16,055,096	17,117,005	18,583,292
AMORTIZATION	788,267	462,972	462,972	115,741	0	0	0	44,634	99,168	99,168
TAXES OTHER THAN INCOME TAXES	10,676,287	12,138,997	12,958,242	13,934,652	15,035,371	14,763,680	17,000,572	18,208,177	16,811,232	17,981,671
INCOME TAXES - FEDERAL	5,783,095	6,504,690	3,122,932	2,917,735	5,362,717	5,275,455	12,500,284	11,217,166	9,532,036	9,181,067
- OTHER	0	0	0	0	0	1,499,628	2,814,959	2,548,741	1,545,829	1,549,223
PROV. FOR DEFERRED INCOME TAXES	0	0	0	0	0	2,254,852	(1,124,312)	2,700,286	5,011,857	1,609,268
INCOME TAXES DEFERRED IN PRIOR YEARS (CR)	0	0	0	0	0	0	0	0	2,299,232	3,286,123
INVESTMENT TAX CREDIT ADJ. - NET	1,408,579	2,216,993	2,539,810	2,923,662	2,006,122	1,725,245	2,395,309	2,228,257	(489,151)	(841,545)
GAINS OR LOSSES FROM DISPOSITION OF UTILITY	0	0	0	0	0	0	0	0	0	0
TOTAL OPERATING EXPENSES	214,382,775	272,633,623	312,667,558	332,443,859	344,095,003	331,834,044	379,442,144	372,530,889	276,953,591	270,207,091
NET GAS OPERATING INCOME	$21,333,887	$25,476,447	$22,942,624	$26,926,295	$31,645,276	$32,359,737	$38,061,609	$39,626,704	$37,898,816	$38,710,273
OPERATING GAS REVENUES BY PERCENT										
RESIDENTIAL SALES	27.23%	24.97%	26.26%	24.76%	29.58%	28.72%	29.26%	31.76%	35.57%	34.89%
COMMERCIAL SALES	15.74	15.87	17.83	17.61	21.42	21.28	21.75	23.82	25.12	23.66
INDUSTRIAL SALES	55.78	58.07	54.53	57.29	46.82	49.01	48.81	43.23	33.23	39.66
OTHER SALES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
OTHER GAS REVENUES	1.25	1.09	1.38	0.33	2.18	0.99	0.18	1.20	6.08	1.80
TOTAL OPERATING GAS REVENUES	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

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NORTHWEST NATURAL GAS COMPANY ** WASHINGTON OPERATIONS ONLY **
STATEMENT OF NET GAS OPERATING INCOME

STATEMENT OF NET GAS OPERATING INCOME	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
OPERATING REVENUES										
RESIDENTIAL SALES	$1,597,713	$1,781,303	$2,045,662	$1,971,553	$2,313,115	$2,102,484	$2,518,319	$2,688,454	$2,220,472	$2,220,986
COMMERCIAL SALES	1,824,617	2,669,409	3,447,663	3,521,028	4,241,765	4,124,361	5,485,228	5,514,338	4,442,343	4,536,055
INDUSTRIAL SALES	18,475,358	28,970,764	30,203,579	43,692,189	26,811,096	36,825,716	41,917,879	36,836,826	18,231,336	27,282,396
OTHER SALES	0	0	0	0	0	0	0	0	0	0
OTHER OPERATING REVENUES	1,108,996	348,493	747,250	214,479	1,137,226	1,099,790	1,084,894	786,823	2,262,897	772,747
TOTAL OPERATING REVENUES	23,006,684	33,769,969	36,444,154	49,399,249	34,503,202	44,152,351	51,006,320	45,826,441	27,157,048	34,812,184
OPERATING EXPENSES										
PRODUCTION:										
MANUFACTURED GAS	0	0	0	0	0	0	0	0	0	0
NATURAL GAS	17,495,316	26,750,979	29,933,605	39,612,868	26,465,746	31,946,947	36,235,232	33,999,871	18,141,976	25,175,168
UNDERGROUND STORAGE	0	0	0	0	0	0	0	0	0	0
OTHER STORAGE	0	0	0	0	0	0	0	0	0	0
TRANSMISSION	4,475	0	0	0	0	0	0	0	0	0
DISTRIBUTION	454,821	600,511	611,175	822,620	674,713	856,606	896,224	905,471	792,275	977,225
CUSTOMER ACCOUNTS	149,357	175,309	215,667	214,702	259,543	256,149	269,451	302,092	177,939	191,287
CUSTOMER SERVICE & INFORMATIONAL EXPENSES	0	0	0	0	0	0	0	4,600	0	0
SALES	88,900	133,679	151,016	214,800	161,975	224,936	265,871	291,735	338,156	496,688
ADMINISTRATIVE AND GENERAL	529,453	841,848	946,664	1,381,716	985,951	1,364,164	1,622,585	1,652,435	1,501,995	2,094,583
WEATHERIZATION	0	0	0	0	0	0	0	0	45,031	3,486
TOTAL OPERATION AND MAINT. EXPENSES	18,722,322	28,502,326	31,858,127	42,246,706	28,547,928	34,648,802	39,289,363	37,156,204	20,997,372	28,938,437
DEPRECIATION	365,939	382,043	397,841	437,002	464,427	517,823	599,072	636,782	798,157	939,061
AMORTIZATION	48,149	57,872	53,705	17,130	0	0	0	0	0	0
TAXES OTHER THAN INCOME TAXES	1,225,136	1,447,255	1,674,728	2,036,933	1,658,542	2,351,989	2,552,139	2,494,246	1,662,324	1,901,372
INCOME TAXES - FEDERAL	668,826	863,447	486,996	829,478	722,146	1,471,844	2,349,779	1,592,974	1,072,509	746,601
- OTHER	0	0	0	0	0	0	0	0	0	0
PROV. FOR DEFERRED INCOME TAXES	0	0	0	0	0	0	0	0	0	0
INCOME TAXES DEFERRED IN PRIOR YEARS (CR)	0	0	0	0	0	0	0	0	0	0
INVESTMENT TAX CREDIT ADJ. - NET	0	0	0	0	0	0	0	0	0	0
GAINS OR LOSSES FROM DISPOSITION OF UTILITY	0	0	0	0	0	0	0	0	0	0
TOTAL OPERATING EXPENSES	21,030,372	31,252,943	34,471,397	45,567,249	31,393,043	38,990,458	44,790,353	41,880,206	24,530,362	32,525,471
NET GAS OPERATING INCOME	$1,976,312	$2,517,026	$1,972,757	$3,832,000	$3,110,159	$5,161,893	$6,215,967	$3,946,235	$2,626,686	$2,286,713
				829,478			2,349,779			
OPERATING GAS REVENUES BY PERCENT										
RESIDENTIAL SALES	6.94%	5.27%	5.61%	3.99%	6.70%	4.76%	4.94%	5.87%	8.18%	6.38%
COMMERCIAL SALES	7.93	7.90	9.46	7.13	12.29	9.34	10.75	12.03	16.36	13.03
INDUSTRIAL SALES	80.30	85.79	82.88	88.45	77.71	83.41	82.18	80.38	67.13	78.37
OTHER SALES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
OTHER GAS REVENUES	4.82	1.03	2.05	0.43	3.30	2.49	2.13	1.72	8.33	2.22
TOTAL OPERATING GAS REVENUES	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

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NORTHWEST NATURAL GAS COMPANY ** TOTAL COMPANY OPERATIONS **
STATEMENT OF CHANGES IN FINANCIAL POSITIONS

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
SOURCES OF FUNDS										
NET INCOME	$12,393,552	$15,453,120	$13,714,209	$16,884,603	$17,691,940	$17,206,649	$19,757,201	$22,706,379	$19,629,019	$24,716,542
PRINCIPAL NON-CASH CHARGES (CREDITS) TO INCOME:										
DEPRECIATION & DEPLETION	8,712,173	9,234,885	10,080,941	10,936,787	11,812,703	13,575,707	14,858,453	16,055,096	17,117,005	18,583,292
AMORTIZATION	788,267	462,972	462,972	115,741	0	0	0	44,634	99,168	99,168
PROV. FOR DEF. OR FUTURE INCOME TAXES (NET)	816,969	124,905	507,011	1,369,398	3,944,110	2,213,467	(1,004,947)	2,770,559	7,867,004	4,966,175
INVESTMENT TAX CREDIT ADJUSTMENTS	1,261,597	1,987,661	2,274,351	2,429,756	1,671,330	1,564,462	2,226,423	2,019,207	(687,238)	(834,883)
OTHER (NET)	332,375	375,694	503,553	(808,878)	(4,693,970)	2,463,108	3,441,972	1,457,585	801,958	1,083,083
TOTAL FUNDS FROM OPERATIONS	24,304,933	27,639,237	27,543,037	30,927,407	30,426,113	37,023,393	39,279,102	45,053,460	44,826,916	48,613,377
FUNDS FROM OUTSIDE SOURCES (NEW MONEY):										
LONG-TERM DEBT	0	0	0	30,000,000	40,000,000	0	0	30,000,000	50,000,000	15,000,000
PREFERRED STOCK	11,000,000	0	16,000,000	0	0	0	0	0	0	0
COMMON STOCK	1,233,541	12,271,620	1,781,593	2,263,959	3,966,864	4,486,728	3,945,413	4,080,583	3,773,548	3,713,146
NET INCREASE IN SHORT-TERM DEBT	(5,300,000)	1,700,000	5,800,000	2,025,000	0	0	20,500,000	6,500,000	0	13,115,000
OTHER (NET)	0	6,000,000	4,000,000	0	0	0	0	0	0	0
TOTAL FUNDS FROM OUTSIDE SOURCES	6,933,541	19,971,620	27,581,593	34,288,959	43,966,864	4,486,728	24,445,413	40,580,583	53,773,548	31,828,146
SALE OF NON-CURRENT ASSETS	942,445	1,114,671	1,283,577	0	0	1,757,964	0	0	0	0
CONTRIBUTIONS FROM ASSOC. & SUBS. COMPANIES	0	0	0	0	0	0	0	0	0	0
OTHER (NET)	2,722,887	(2,207,138)	(991,697)	7,859,423	1,194,005	15,204,285	8,261,572	905,892	4,160,216	(10,736,420)
TOTAL SOURCES OF FUNDS	$34,903,806	$46,518,390	$55,416,510	$73,075,789	$75,586,982	$58,472,370	$71,986,087	$86,539,935	$102,760,680	$69,705,103
APPLICATION OF FUNDS										
CONSTRUCTION & PLANT EXPENDITURES (INCL.LAND):										
GROSS ADD. TO UTIL. PLANT (LESS NUCLEAR FUEL)	$18,868,465	$27,634,860	$32,703,965	$31,947,536	$26,363,137	$24,721,499	$34,226,124	$37,462,776	$33,468,796	$31,627,129
GROSS ADDITIONS TO NUCLEAR FUEL	0	0	0	0	0	0	0	0	0	0
GROSS ADDITIONS TO COMMON UTILITY PLANT	0	0	0	0	0	0	0	0	0	0
GROSS ADDITIONS TO NONUTILITY PLANT	(55,596)	0	0	0	0	0	104,731	87,091	9,808	62,389
OTHER	0	0	0	0	0	0	0	0	0	(419,749)
TOTAL APPLIC. TO CONST. & PLANT EXPEND.	18,812,869	27,634,860	32,703,965	31,947,536	26,363,137	24,721,499	34,330,855	37,549,867	33,478,604	31,269,769
DIVIDENDS ON PREFERRED STOCK	1,963,264	2,103,054	2,553,082	3,526,638	3,448,501	3,385,259	3,203,961	2,654,870	2,154,102	1,919,177
DIVIDENDS ON COMMON STOCK	6,304,260	7,126,670	8,617,490	9,910,584	10,565,313	11,179,716	12,386,478	13,926,990	15,329,693	16,069,356
FUNDS FOR RETIREMENT OF SEC. & SHORT TERM DEBT:										
LONG-TERM DEBT	2,824,000	6,176,000	6,190,000	16,191,000	6,297,000	13,619,000	15,837,000	23,317,000	34,063,000	776,000
PREFERRED STOCK	780,000	780,000	780,000	780,000	780,000	1,330,000	1,330,000	1,330,000	960,000	1,570,000
REDEMPTION OF CAPITAL STOCK	0	0	0	0	0	0	0	0	0	0
NET DECREASE IN SHORT-TERM DEBT	0	0	0	0	10,825,000	700,000	0	0	9,450,000	0
OTHER (NET)	0	0	0	0	0	0	0	0	0	0
PURCHASE OF OTHER NON-CURRENT ASSETS	423,321	957,401	2,577,434	4,362,239	0	(819,676)	0	0	0	0
INVEST. IN & ADVANCES TO ASSOC. & SUB. COM.	0	0	0	0	0	0	2,061,027	7,761,208	7,325,281	15,258,284
OTHER (NET)	3,796,092	1,740,405	1,994,539	6,357,792	17,308,031	4,356,572	2,836,766	0	0	2,842,517
TOTAL APPLICATION OF FUNDS	$34,903,806	$46,518,390	$55,416,510	$73,075,789	$75,586,982	$58,472,370	$71,986,087	$86,539,935	$102,760,680	$69,705,103

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NORTHWEST NATURAL GAS COMPANY ** TOTAL COMPANY OPERATIONS **
PLANT, PRODUCTION AND SALES STATISTICS

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
GAS PLANT IN SERVICE AND HELD FOR FUTURE USE -- END OF YEAR										
INTANGIBLE PLANT	$39,384	$39,384	$39,384	$39,384	$39,384	$39,384	$39,384	$39,384	$39,384	$39,384
PRODUCTION AND STORAGE PLANT	21,309,264	22,679,342	23,939,416	26,339,343	27,676,706	28,179,421	29,157,483	21,567,168	21,509,919	21,812,068
TRANSMISSION AND DISTRIBUTION PLANT	229,506,006	251,425,830	276,930,996	301,492,916	322,005,976	341,625,378	371,016,719	393,573,310	421,760,936	444,815,841
GENERAL PLANT	19,735,708	21,630,726	22,934,672	25,145,242	26,851,425	24,476,458	26,410,514	29,567,722	31,231,439	34,688,601
TOTAL GAS PLANT IN SERVICE	270,590,362	295,775,282	323,844,468	353,016,885	376,573,491	394,320,641	426,624,100	444,747,584	474,541,678	501,355,894
PROPERTY HELD FOR FUTURE USE	0	399,306	399,306	206,838	206,838	206,838	206,838	206,838	206,838	0
LESS: ACCUM.PROV. FOR DEPR.& AMORT.- GAS	47,799,893	54,324,003	61,931,672	69,906,457	78,496,241	87,696,229	99,374,206	106,948,682	119,625,615	132,148,802
NET GAS PLANT	$222,790,469	$241,850,585	$262,312,102	$283,317,266	$298,284,088	$306,831,250	$327,456,732	$338,005,740	$355,122,901	$369,207,092
CONSTRUCTION WORK IN PROGRESS	$157,022	$346,062	$0	$0	$0	$0	$0	$529,121	$580,218	$208,166
ANNUAL GAS RECEIVED & DELIVERED(THERMS)										
GAS PRODUCED	0	0	0	0	0	0	0	0	0	0
GAS PURCHASED	862,909,513	908,680,579	741,709,229	754,644,021	646,674,608	655,510,211	737,631,424	767,859,109	605,412,702	746,119,749
GAS TRANSPORTED OR COMPRESSED FOR OTHERS	0	0	0	0	0	0	0	37,756,245	66,995,402	38,850,746
GAS RECEIVED FROM STORAGE	0	0	0	0	0	0	0	16,665,154	13,405,563	5,128,114
TOTAL GAS RECEIVED	862,909,513	908,680,579	741,709,229	754,644,021	646,674,608	655,510,211	737,631,424	822,280,508	685,813,667	790,098,609
GAS SOLD	833,733,481	901,064,822	724,076,819	745,835,898	633,221,685	624,844,371	729,688,094	747,236,754	605,425,832	695,328,077
GAS TRANSPORTED OR COMPRESSED FOR OTHERS	0	0	0	0	0	0	0	37,326,596	66,989,906	38,905,724
GAS USED BY COMPANY	2,482,262	1,954,058	1,001,385	1,214,098	1,771,310	1,879,919	1,104,511	1,398,522	584,026	1,100,330
GAS DELIVERED TO STORAGE	6,171,815	692,663	685,807	(31,523)	(16,094)	5,133,077	(346,032)	17,212,169	13,244,000	44,522,655
GAS UNACCOUNTED FOR	20,521,955	4,969,036	15,945,218	7,625,548	11,697,707	23,652,844	7,184,851	19,106,467	(430,097)	10,241,823
TOTAL GAS DELIVERED	862,909,513	908,680,579	741,709,229	754,644,021	646,674,608	655,510,211	737,631,424	822,280,508	685,813,667	790,098,609
								0	0	0
UNACCOUNTED FOR TO TOTAL PRODUCED & PURCHASED	2.38	0.55	2.15	1.01	1.81	3.61	0.97	2.32	(0.06)	1.30
% DEPR/AMORT EXP TO TOTAL GAS PLANT IN SERV.	3.51	3.28	3.26	3.13	3.14	3.44	3.48	3.62	3.63	3.73
% NET GAS UTILITY OPR. INC. TO NET GAS PLANT	9.58	10.53	8.75	9.50	10.61	10.55	11.62	11.72	10.67	10.48
TRANS. & DISTRN. MAINS - FEET (END OF YEAR)	38,148,288	39,405,379	40,454,465	41,126,192	41,471,387	41,675,620	42,278,024	42,557,310	42,171,536	42,683,107
NO.OF METERS IN SERV.& HELD IN RESERVE (AVE.)	242,170	250,277	261,041	268,721	274,698	278,846	281,806	290,147	295,212	302,725
NUMBER OF CUSTOMERS - AVERAGE	214,658	220,971	229,644	238,104	241,459	243,868	250,381	257,671	265,270	273,046
AVERAGE B.T.U. CONTENT PER CU. FT.	1,045	1,045	1,055	1,060	1,047	1,047	1,037	1,028	1,022	1,028

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NORTHWEST NATURAL GAS COMPANY ** WASHINGTON OPERATIONS ONLY **
PLANT, PRODUCTION AND SALES STATISTICS

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
GAS PLANT IN SERVICE AND HELD FOR FUTURE USE -- END OF YEAR										
INTANGIBLE PLANT	$447	$447	$447	$447	$447	$447	$447	$447	$447	$447
PRODUCTION AND STORAGE PLANT	0	0	0	0	0	0	0	0	0	0
TRANSMISSION AND DISTRIBUTION PLANT	10,495,298	11,183,207	11,797,867	13,196,016	14,291,717	15,297,299	16,681,585	20,024,872	22,078,552	24,096,381
GENERAL PLANT	65,290	65,290	65,290	65,868	74,509	66,366	75,844	78,269	93,869	113,021
TOTAL GAS PLANT IN SERVICE	10,561,035	11,248,944	11,863,604	13,262,331	14,366,673	15,364,112	16,757,876	20,103,588	22,172,868	24,209,849
PROPERTY HELD FOR FUTURE USE	0	0	0	0	0	0	0	0	0	0
LESS: ACCUM.PROV. FOR DEPR.& AMORT.- GAS	1,879,867	2,066,132	2,304,122	2,514,367	2,744,769	3,059,530	3,453,387	3,775,731	4,290,368	4,767,928
NET GAS PLANT	$8,681,168	$9,182,812	$9,559,482	$10,747,964	$11,621,904	$12,304,582	$13,304,489	$16,327,857	$17,882,500	$19,441,921
CONSTRUCTION WORK IN PROGRESS	$9,990	$10,684	$0	$0	$0	$0	$0	$0	$0	$0
ANNUAL GAS RECEIVED & DELIVERED(THERMS)										
GAS PRODUCED	0	0	0	0	0	0	0	0	0	0
GAS PURCHASED	89,092,235	113,222,305	86,316,762	111,981,693	63,246,472	85,949,699	96,624,204	97,700,140	68,925,191	106,014,046
GAS TRANSPORTED OR COMPRESSED FOR OTHERS	0	0	0	0	0	0	0	4,305,796	17,030,064	470,080
GAS RECEIVED FROM STORAGE	0	0	0	0	0	0	0	574,416	505,035	120,496
TOTAL GAS RECEIVED	89,092,235	113,222,305	86,316,762	111,981,693	63,246,472	85,949,699	96,624,204	102,580,352	86,460,290	106,604,622
GAS SOLD	87,348,100	112,821,363	85,251,124	113,038,824	63,014,384	84,754,383	97,853,486	98,434,471	67,652,221	106,443,038
GAS TRANSPORTED OR COMPRESSED FOR OTHERS	0	0	0	0	0	0	0	3,938,550	17,435,115	470,080
GAS USED BY COMPANY	20,446	12,896	16,583	23,376	10,374	15,196	20,946	44,787	34,263	43,908
GAS DELIVERED TO STORAGE	0	0	0	0	0	0	0	0	0	0
GAS UNACCOUNTED FOR	1,723,689	388,046	1,049,055	(1,080,507)	221,714	1,180,120	(1,250,228)	162,544	1,338,691	(352,404)
TOTAL GAS DELIVERED	89,092,235	113,222,305	86,316,762	111,981,693	63,246,472	85,949,699	96,624,204	102,580,352	86,460,290	106,604,622
UNACCOUNTED FOR TO TOTAL PRODUCED & PURCHASED	1.93	0.34	1.22	(0.96)	0.35	1.37	(1.29)	0.16	1.55	(0.33)
% DEPR/AMORT EXP TO TOTAL GAS PLANT IN SERV.	3.92	3.91	3.81	3.42	3.23	3.37	3.57	3.17	3.60	3.88
% NET GAS UTILITY OPR. INC. TO NET GAS PLANT	22.77	27.41	20.64	35.65	26.76	41.95	46.72	24.17	14.69	11.76
TRANS. & DISTRN. MAINS - FEET (END OF YEAR)	1,945,722	1,985,682	2,021,073	2,057,243	2,071,843	2,115,773	2,163,047	2,190,547	2,356,494	2,428,023
NO.OF METERS IN SERV.& HELD IN RESERVE (AVE.)	6,933	6,857	6,834	6,809	6,808	6,898	7,081	7,241	7,497	7,977
NUMBER OF CUSTOMERS - AVERAGE	6,264	6,122	6,052	6,045	6,027	6,023	6,249	6,427	6,688	7,078
AVERAGE B.T.U. CONTENT PER CU. FT.	1,045	1,045	1,055	1,060	1,047	1,047	1,037	1,028	1,022	1,028

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NORTHWEST NATURAL GAS ** TOTAL COMPANY OPERATIONS **
SALES STATISTICS FOR GAS OPERATIONS

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
GAS SERVICE REVENUES										
RESIDENTIAL SALES	$64,191,766	$74,443,047	$88,119,934	$88,995,440	$111,148,702	$104,580,654	$122,178,763	$130,897,268	$111,992,501	$107,729,575
COMMERCIAL SALES	37,096,861	47,306,218	59,853,781	63,276,664	80,483,030	77,517,869	90,794,127	98,170,761	79,099,399	73,079,336
INDUSTRIAL SALES	131,476,296	173,105,641	183,006,149	205,898,866	175,912,003	178,475,974	203,776,746	178,162,803	104,632,831	122,516,227
SALES FOR RESALE	0	0	0	0	0	0	0	0	0	0
TOTAL GAS SERVICE REVENUES	$232,764,923	$294,854,906	$330,979,864	$358,170,970	$367,543,735	$360,574,497	$416,749,636	$407,230,832	$295,724,731	$303,325,138
THERMS OF GAS SOLD										
RESIDENTIAL SALES	174,548,866	180,959,640	165,488,199	154,426,576	169,395,566	151,504,691	177,441,155	195,497,309	172,001,647	165,577,971
COMMERCIAL SALES	112,639,217	126,769,384	120,209,803	120,553,693	131,488,731	121,918,136	141,859,700	158,844,841	140,891,935	137,513,393
INDUSTRIAL SALES	546,631,018	593,420,565	438,455,509	470,919,679	332,408,400	351,483,451	410,453,820	392,964,192	292,590,783	385,879,977
SALES FOR RESALE	0	0	0	0	0	0	0	0	0	0
TOTAL THERMS OF GAS SOLD	833,819,101	901,149,589	724,153,511	745,899,948	633,292,697	624,906,278	729,754,675	747,306,342	605,484,365	688,971,341
AVERAGE NUMBER OF GAS CUSTOMERS PER MONTH										
RESIDENTIAL SALES	189,983	195,375	202,863	210,353	213,324	215,316	220,789	226,952	233,473	240,007
COMMERCIAL SALES	24,075	25,035	26,212	27,187	27,664	27,988	29,024	30,137	31,191	32,460
INDUSTRIAL SALES	600	561	569	564	561	564	568	582	606	579
SALES FOR RESALE	0	0	0	0	0	0	0	0	0	0
TOTAL GAS CUSTOMERS	214,658	220,971	229,644	238,104	241,549	243,868	250,381	257,671	265,270	273,046
AVE. GAS SERVICE REVENUE/THERM SOLD (CENTS)										
RESIDENTIAL SALES	36.78	41.14	53.25	57.63	65.61	69.03	68.86	66.96	65.11	65.06
COMMERCIAL SALES	32.93	37.32	49.79	52.49	61.21	63.58	64.00	61.80	56.14	53.14
INDUSTRIAL SALES	24.05	29.17	41.74	43.72	52.92	50.78	49.65	45.34	35.76	31.75
SALES FOR RESALE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	27.92	32.72	45.71	48.02	58.04	57.70	57.11	54.49	48.84	44.03
AVERAGE GAS SERVICE REVENUE PER CUSTOMER										
RESIDENTIAL SALES	$338	$381	$434	$423	$521	$486	$553	$577	$480	$449
COMMERCIAL SALES	1,541	1,890	2,283	2,327	2,909	2,770	3,128	3,257	2,536	2,251
INDUSTRIAL SALES	219,127	308,566	321,628	365,069	313,569	316,447	358,762	306,122	172,661	211,600
SALES FOR RESALE	0	0	0	0	0	0	0	0	0	0
TOTAL	1,084	1,334	1,441	1,504	1,522	1,479	1,664	1,580	1,115	1,111
AVERAGE THERMS OF GAS SOLD PER CUSTOMER										
RESIDENTIAL SALES	919	926	816	734	794	704	804	861	737	690
COMMERCIAL SALES	4,679	5,064	4,586	4,434	4,753	4,356	4,888	5,271	4,517	4,236
INDUSTRIAL SALES	911,052	1,057,791	770,572	834,964	592,528	623,198	722,630	675,196	482,823	666,459
SALES FOR RESALE	0	0	0	0	0	0	0	0	0	0
TOTAL	3,884	4,078	3,153	3,133	2,622	2,562	2,915	2,900	2,283	2,523

NOTE: One therm is equal to 100,000 B.T.U.

NWNG: 9ST
JULY 26TH, 1988

NORTHWEST NATURAL GAS COMPANY ** WASHINGTON OPERATIONS ONLY **
SALES STATISTICS FOR GAS OPERATIONS

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
GAS SERVICE REVENUES										
RESIDENTIAL SALES	$1,597,713	$1,781,303	$2,045,662	$1,971,553	$2,313,115	$2,102,484	$2,518,319	$2,688,454	$2,220,472	$2,220,986
COMMERCIAL SALES	1,824,617	2,669,409	3,447,663	3,521,028	4,241,765	4,124,361	5,485,228	5,514,338	4,442,343	4,536,055
INDUSTRIAL SALES	18,475,358	28,970,764	30,203,579	43,692,189	26,811,096	36,825,716	41,917,879	36,836,826	18,231,336	27,282,396
SALES FOR RESALE	0	0	0	0	0	0	0	0	0	0
TOTAL GAS SERVICE REVENUES	$21,897,688	$33,421,476	$35,696,904	$49,184,770	$33,365,976	$43,052,561	$49,921,426	$45,039,618	$24,894,151	$34,039,437
THERMS OF GAS SOLD										
RESIDENTIAL SALES	4,444,914	4,468,937	3,952,246	3,521,661	3,659,729	3,259,650	3,884,089	4,189,345	3,747,717	3,808,270
COMMERCIAL SALES	5,769,648	7,697,468	7,355,520	6,965,100	7,241,589	7,017,387	9,221,753	9,288,261	8,280,337	8,710,504
INDUSTRIAL SALES	77,133,538	100,654,958	73,943,358	102,552,063	52,113,066	74,477,346	84,747,644	84,956,865	55,624,167	93,842,264
SALES FOR RESALE	0	0	0	0	0	0	0	0	0	0
TOTAL THERMS OF GAS SOLD	87,348,100	112,821,363	85,251,124	113,038,824	63,014,384	84,754,383	97,853,486	98,434,471	67,652,221	106,361,038
AVERAGE NUMBER OF GAS CUSTOMERS PER MONTH										
RESIDENTIAL SALES	5,295	5,150	5,055	5,006	4,978	4,949	5,130	5,220	5,404	5,673
COMMERCIAL SALES	920	929	954	998	1,006	1,030	1,076	1,162	1,237	1,360
INDUSTRIAL SALES	49	43	43	41	43	44	43	45	47	45
SALES FOR RESALE	0	0	0	0	0	0	0	0	0	0
TOTAL GAS CUSTOMERS	6,264	6,122	6,052	6,045	6,027	6,023	6,249	6,427	6,688	7,078
AVE. GAS SERVICE REVENUE/THERM SOLD (CENTS)										
RESIDENTIAL SALES	35.94	39.86	51.76	55.98	63.20	64.50	64.84	64.17	59.25	58.32
COMMERCIAL SALES	31.62	34.68	46.87	50.55	58.58	58.77	59.48	59.37	53.65	52.08
INDUSTRIAL SALES	23.95	28.78	40.85	42.60	51.45	49.45	49.46	43.36	32.78	29.07
SALES FOR RESALE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	25.07	29.62	41.87	43.51	52.95	50.80	51.02	45.76	36.80	32.00
AVERAGE GAS SERVICE REVENUE PER CUSTOMER										
RESIDENTIAL SALES	$302	$346	$405	$394	$465	$425	$491	$515	$411	$392
COMMERCIAL SALES	1,983	2,873	3,614	3,528	4,216	4,004	5,098	4,746	3,591	3,335
INDUSTRIAL SALES	377,048	673,739	702,409	1,065,663	623,514	836,948	974,834	818,596	387,901	606,275
SALES FOR RESALE	0	0	0	0	0	0	0	0	0	0
TOTAL	3,496	5,459	5,898	8,136	5,536	7,148	7,989	7,008	3,722	4,809
AVERAGE THERMS OF GAS SOLD PER CUSTOMER										
RESIDENTIAL SALES	839	868	782	703	735	659	757	803	694	671
COMMERCIAL SALES	6,271	8,286	7,710	6,979	7,198	6,813	8,570	7,993	6,694	6,405
INDUSTRIAL SALES	1,574,154	2,340,813	1,719,613	2,501,270	1,211,932	1,692,667	1,970,875	1,887,930	1,183,493	2,085,384
SALES FOR RESALE	0	0	0	0	0	0	0	0	0	0
TOTAL	13,944	18,429	14,086	18,700	10,455	14,072	15,659	15,316	10,115	15,027

NOTE: One therm is equal to 100,000 B.T

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JULY 26TH, 1988

WASHINGTON NATURAL GAS COMPANY ** TOTAL COMPANY OPERATIONS **
BALANCE SHEET -- ASSETS AND OTHER DEBITS

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
UTILITY PLANT										
UTILITY PLANT	$228,815,697	$249,818,615	$271,279,041	$292,587,585	$311,923,070	$332,670,734	$355,814,144	$388,780,900	$427,021,245	$473,542,184
CONSTRUCTION WORK IN PROGRESS	3,872,422	1,214,978	3,041,626	1,239,889	2,649,678	2,975,539	2,974,350	2,963,517	5,397,781	4,993,151
TOTAL UTILITY PLANT	232,688,119	251,033,593	274,320,667	293,827,474	314,572,748	335,646,273	358,788,494	391,744,417	432,419,026	478,535,335
LESS ACCUM. PROV. FOR DEPR.AMORT. & DEPL.	48,291,454	53,711,832	59,571,587	64,903,656	72,818,260	80,299,340	89,004,329	100,157,044	111,646,622	123,196,802
NET UTILITY PLANT	184,396,665	197,321,761	214,749,080	228,923,818	241,754,488	255,346,933	269,784,165	291,587,373	320,772,404	355,338,533
GAS STORED UNDERGROUND - NONCURRENT	2,741,291	3,847,849	4,218,770	4,312,973	4,370,786	4,866,791	4,866,791	4,866,895	4,866,895	4,866,895
UTILITY PLANT ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0
OTHER PROPERTY AND INVESTMENTS										
NONUTIL. PROP.(LESS ACCUM. DEPR.& AMORT.)	0	0	0	0	0	0	0	0	0	0
INVESTMENT IN ASSOCIATED COMPANIES	0	0	0	0	0	0	0	0	0	0
INVESTMENT IN SUBSIDIARY COMPANIES	0	0	0	0	0	0	0	0	0	0
OTHER INVESTMENTS	0	0	0	0	0	0	0	0	0	0
SPECIAL FUNDS	0	0	0	0	0	0	0	0	0	0
TOTAL OTHER PROPERTY AND INVESTMENTS	0	0	0	0	0	0	0	0	0	0
CURRENT AND ACCRUED ASSETS										
CASH	3,842,251	5,146,429	6,557,300	4,078,051	1,499,872	2,039,924	2,544,722	5,222,185	3,986,833	4,185,440
SPECIAL DEPOSITS	0	2,402,770	0	0	0	0	0	0	0	0
WORKING FUNDS	25,435	31,894	30,095	42,295	38,695	38,870	41,520	43,163	53,495	54,305
TEMPORARY CASH INVESTMENTS	0	0	0	0	0	0	0	0	0	0
NOTES & ACCTS. REC.(LESS PROV. FOR UNCOLL. ACCTS.)	27,542,743	33,299,857	37,309,839	49,288,910	55,079,139	53,206,281	54,764,173	65,502,508	50,483,217	57,646,286
RECEIVABLES FROM ASSOC. COMPANIES	10,857,172	10,573,855	20,492,954	11,080,522	9,202,527	6,623,188	5,153,279	4,963,912	3,566,403	1,919,992
MATERIALS AND SUPPLIES	2,952,770	4,227,659	4,653,434	3,995,968	4,090,445	4,331,230	4,655,597	3,749,932	6,758,748	9,445,851
GAS STORED UNDERGROUND - CURRENT	0	0	0	0	0	0	0	0	0	0
LIQUEFIED NATURAL GAS STORED	192,715	367,956	626,879	626,879	626,879	641,700	641,700	641,700	641,700	641,700
PREPAYMENTS	267,883	(7,007)	99,391	160,002	34,856	682,251	887,067	1,645,268	1,684,903	1,740,494
ADVANCES FOR GAS EXPLORATION, DEV. & PRODUCTION	0	0	0	0	0	0	0	0	0	0
OTHER ADVANCES FOR GAS	0	0	0	0	0	0	0	0	0	0
INTEREST AND DIVIDENDS RECEIVABLE	0	0	0	0	0	0	0	0	0	0
RENTS RECEIVABLE	0	0	0	0	0	0	0	0	0	0
ACCRUED UTILITY REVENUES	0	0	0	0	0	0	0	0	18,347,000	24,167,000
MISC. CURRENT AND ACCRUED ASSETS	0	0	0	0	0	0	0	0	0	0
TOTAL CURRENT AND ACCRUED ASSETS	45,680,969	56,043,413	69,769,892	69,272,627	70,572,413	67,563,444	68,688,058	81,768,668	85,522,299	99,801,068
DEFERRED DEBITS										
UNAMORTIZED DEBT EXPENSE	999,420	1,006,048	896,679	775,595	691,799	781,001	657,770	553,026	725,747	708,307
EXTRAORDINARY PROPERTY LOSSES	0	0	0	0	0	0	0	0	0	0
PRELIM. SURVEY & INVESTIGATION CHARGES	6,613	0	0	0	0	0	0	0	0	0
CLEARING ACCOUNTS	258,234	230,159	300,073	65,740	59,427	(10,924)	173,051	457,906	715,204	114,930
TEMPORARY FACILITIES	0	0	22,038	0	0	0	0	0	0	0
MISCELLANEOUS DEFERRED DEBITS	676,017	912,712	1,396,103	843,543	1,245,477	995,312	988,128	730,891	1,756,902	1,718,986
DEFERRED LOSSES FROM DISP. OF UTILITY PLANT	0	0	0	0	0	0	0	0	0	0
RESEARCH, DEVELOPMENT & DEMO. EXPENDITURES	0	0	0	0	0	0	0	0	0	0
UNAMORTIZED LOSS ON REACQUIRED DEBT	0	0	0	0	0	0	0	0	0	0
ACCUMULATED DEFERRED INCOME TAXES	2,008,833	2,322,706	2,225,211	2,061,527	1,906,839	1,760,354	1,300,295	1,118,810	773,050	646,368
UNRECOVERED PURCHASED GAS COSTS	10,453,000	10,934,000	10,402,000	13,780,000	13,671,000	18,737,000	16,888,000	15,677,000	0	0
TOTAL DEFERRED DEBITS	14,402,117	15,405,625	15,242,104	17,526,405	17,574,542	22,262,743	20,007,244	18,537,633	3,970,903	3,188,591
TOTAL ASSETS AND OTHER DEBITS	$247,221,042	$272,618,648	$303,979,846	$320,035,823	$334,272,229	$350,039,911	$363,346,258	$396,760,569	$415,132,501	$463,195,087

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JULY 26TH, 1988

WASHINGTON NATURAL GAS COMPANY ** TOTAL COMPANY OPERATIONS **
BALANCE SHEET -- LIABILITIES AND OTHER CREDITS

PROPRIETARY CAPITAL	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
COMMON STOCK ISSUED	$16,632,470	$19,022,420	$20,723,920	$22,963,515	$23,130,860	$23,210,290	$25,291,020	$26,009,295	$26,652,275	$28,626,745
PREFERRED STOCK ISSUED	12,100,000	11,800,000	11,500,000	21,200,000	20,900,000	20,600,000	30,300,000	30,000,000	29,700,000	34,400,000
CAPITAL STOCK SUBSCRIBED	0	0	0	0	0	0	0	0	0	0
STOCK LIABILITY FOR CONVERSION	0	0	0	0	0	0	0	0	0	0
PREMIUM ON CAPITAL STOCK	13,141,353	17,391,198	21,560,860	24,488,901	25,231,578	25,360,311	29,039,610	31,302,942	33,901,840	41,822,080
OTHER PAID-IN CAPITAL	838,978	883,192	885,992	913,412	927,762	927,762	927,762	927,762	927,762	927,762
INSTALLMENTS RECEIVED ON CAPITAL STOCK	(45,500)	(96,100)	(3,100)	(9,800)	(36,200)	(9,700)	(9,700)	0	0	0
DISCOUNT ON CAPITAL STOCK	0	0	0	0	0	0	0	0	0	0
CAPITAL STOCK EXPENSE	(404,181)	(513,945)	(587,725)	(693,142)	(815,223)	(815,223)	(975,730)	(1,010,868)	(1,010,868)	(1,241,861)
RETAINED EARNINGS	27,934,578	28,856,203	29,268,505	34,775,774	36,137,002	37,200,301	40,799,487	49,015,825	53,960,337	54,633,737
UNAPP. UNDISTRIBUTED SUBSIDIARY EARNINGS	0	0	0	0	0	0	0	0	0	0
REACQUIRED CAPITAL STOCK	0	0	0	0	0	0	0	0	0	0
TOTAL PROPRIETARY CAPITAL	70,197,698	77,342,968	83,348,452	103,638,660	105,475,779	106,473,741	125,372,449	136,244,956	144,131,346	159,168,463
LONG TERM DEBT										
BONDS	94,722,000	109,847,000	107,556,000	102,845,000	109,200,000	125,714,000	121,020,000	117,395,000	157,489,000	172,848,000
ADVANCES FROM ASSOCIATED COMPANIES	0	0	0	0	0	0	0	0	0	0
OTHER LONG-TERM DEBT	2,700,000	2,400,000	2,200,000	2,000,000	23,675,000	17,225,000	9,375,000	3,125,000	0	0
UNAMORTIZED PREMIUM ON LONG-TERM DEBT	0	0	0	0	0	0	0	0	0	0
UNAMORTIZED DISCOUNT ON LONG-TERM DEBT	0	0	0	0	0	0	0	0	0	0
TOTAL LONG-TERM DEBT	97,422,000	112,247,000	109,756,000	104,845,000	132,875,000	142,939,000	130,395,000	120,520,000	157,489,000	172,848,000
OTHER NONCURRENT LIABILITIES										
OBLIGATIONS UNDER CAPITAL LEASES--NONCURRENT	0	0	0	0	0	0	0	0	0	0
ACCUMULATED OPERATING RESERVES	4,190,777	4,866,000	4,654,053	4,298,220	3,964,464	3,519,100	2,645,826	2,250,268	1,493,677	1,235,136
ACCUMULATED PROVISIONS FOR RATE REFUNDS	0	0	0	0	0	0	0	0	0	0
TOTAL OTHER NONCURRENT LIABILITIES	4,190,777	4,866,000	4,654,053	4,298,220	3,964,464	3,519,100	2,645,826	2,250,268	1,493,677	1,235,136
CURRENT AND ACCRUED LIABILITIES										
NOTES PAYABLE	24,000,000	22,000,000	34,500,000	35,000,000	16,000,000	7,000,000	4,500,000	22,000,000	15,500,000	15,000,000
ACCOUNTS PAYABLE	20,129,181	25,627,518	26,850,912	30,792,412	31,674,836	40,951,710	36,720,000	37,130,412	24,496,262	28,357,941
PAYABLES TO ASSOCIATED COMPANIES	1,636,387	(12,399)	10,701,555	1,667,238	0	103,430	5,024,407	10,031,217	262,670	12,065,636
CUSTOMER DEPOSITS	1,215,794	1,369,729	1,570,177	1,070,338	1,198,341	1,305,793	1,385,135	1,633,791	1,804,691	1,740,555
TAXES ACCRUED	6,832,106	3,421,456	2,215,430	3,228,680	2,828,806	(1,205,671)	4,507,239	8,860,082	6,016,904	10,212,616
INTEREST ACCRUED	2,538,806	3,092,056	3,817,205	3,308,481	3,642,543	4,385,879	4,076,968	4,100,149	5,460,194	4,614,030
DIVIDENDS DECLARED	0	0	0	0	0	0	0	0	0	0
MATURED LONG TERM DEBT	0	0	0	0	0	0	0	0	0	0
MATURED INTEREST	0	0	0	0	0	0	0	0	0	0
TAX COLLECTIONS PAYABLE	236,971	168,075	186,789	97,858	109,947	238,476	196,801	272,201	255,398	490,573
MISC. CURRENT & ACCRUED LIABILITIES	271,162	486,166	537,440	746,860	735,351	849,407	1,324,184	1,630,852	1,811,018	1,743,373
OBLIGATIONS UNDER CAPITAL LEASES--CURRENT	0	0	0	0	0	0	0	0	0	0
TOTAL CURRENT AND ACCRUED LIABILITIES	56,860,407	56,152,601	80,379,508	75,911,867	56,189,824	53,629,024	57,734,734	85,658,704	55,607,137	74,224,724
DEFERRED CREDITS										
CUSTOMER ADVANCES FOR CONSTRUCTION	132,131	85,052	143,234	187,462	267,061	308,511	374,717	483,492	623,101	722,841
ACCUMULATED DEFERRED INVESTMENT TAX CREDITS	4,936,089	6,805,574	8,921,306	10,407,327	11,914,354	13,587,254	14,959,625	16,917,038	16,209,712	15,639,604
DEFERRED GAINS FROM DISP.OF UTILITY PLANT	0	0	0	0	0	0	0	0	0	0
OTHER DEFERRED CREDITS	1,486,483	1,579,754	1,716,452	1,861,522	2,301,408	2,966,328	3,922,865	4,296,727	4,842,526	5,056,010
UNAMORTIZED GAIN ON REACQUIRED DEBT	0	0	0	0	0	0	0	0	0	0
ACCUMULATED DEFERRED INCOME TAXES	11,995,457	13,539,699	15,060,841	18,885,765	21,284,339	26,616,953	27,941,042	30,389,384	34,736,002	34,300,309
TOTAL DEFERRED CREDITS	18,550,160	22,010,079	25,841,833	31,342,076	35,767,162	43,479,046	47,198,249	52,086,641	56,411,341	55,718,764
TOTAL LIABILITIES AND OTHER CREDITS	$247,221,042	$272,618,648	$303,979,846	$320,035,823	$334,272,229	$350,039,911	$363,346,258	$396,760,569	$415,132,501	$463,195,087

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JULY 26TH, 1988

WASHINGTON NATURAL GAS COMPANY ** TOTAL COMPANY OPERATIONS **
STATEMENT OF INCOME

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
UTILITY OPERATING INCOME										
OPERATING REVENUES	$197,983,944	$243,314,736	$292,174,248	$314,539,921	$347,934,346	$322,397,636	$369,189,777	$390,605,435	$314,651,852	$276,092,932
OPERATING EXPENSES:										
OPERATION EXPENSES	151,753,476	192,987,793	235,037,269	245,093,018	271,987,658	246,767,576	277,581,688	282,185,076	219,262,349	191,170,912
MAINTENANCE EXPENSES	2,225,521	2,684,630	3,775,464	3,395,932	3,705,478	3,700,130	3,691,327	4,817,495	4,060,284	3,783,872
DEPRECIATION EXPENSE	6,629,972	7,076,845	7,715,268	8,600,784	9,949,168	10,887,817	11,498,336	13,363,128	14,647,502	16,262,215
AMORT. & DEPL. OF UTILITY PLANT	0	0	0	0	0	0	0	0	0	0
AMORT. OF UTILITY PLANT ACQ. ADJ.	0	0	0	0	0	0	0	0	0	0
AMORT. OF PROPERTY LOSSES	0	0	0	0	0	0	0	0	0	0
AMORT. OF CONVERSION EXPENSES	0	0	0	0	0	0	0	0	0	0
TAXES OTHER THAN INCOME TAXES	18,667,014	21,341,923	25,036,194	26,736,976	31,567,511	31,007,763	35,314,308	36,401,384	31,129,175	28,838,215
INCOME TAXES - FEDERAL	140,229	(374,619)	(1,122,455)	544,858	2,111,167	(823,778)	8,327,856	13,126,505	11,716,038	8,138,458
- OTHER	0	0	0	0	0	0	0	0	0	0
PROVISION FOR DEFERRED INCOME TAXES	2,817,927	1,534,483	1,618,637	3,988,607	2,553,262	5,479,128	1,492,382	2,630,299	2,414,418	(309,011)
PROVISION FOR DEFERRED INCOME TAXES - CR.	0	0	0	0	0	0	0	0	0	0
INVESTMENT TAX CREDIT ADJ. - NET	1,029,599	1,869,485	2,115,732	1,486,021	1,507,027	1,672,900	1,372,371	1,957,413	(707,326)	(570,108)
GAINS FROM DISP. OF UTILITY PLANT	0	0	0	0	0	0	0	0	0	0
LOSSES FROM DISP. OF UTILITY PLANT	0	0	0	0	0	0	0	0	0	0
TOTAL UTILITY OPERATING EXPENSES	183,263,738	227,120,540	274,176,109	289,846,196	323,381,271	298,691,536	339,278,268	354,481,300	282,522,440	247,314,553
NET UTILITY OPERATING INCOME	14,720,206	16,194,196	17,998,139	24,693,725	24,553,075	23,706,100	29,911,509	36,124,135	$32,129,412	$28,778,379
OTHER INCOME AND DEDUCTIONS										
OTHER INCOME:										
NONUTILITY OPERATING INCOME	1,032,118	1,750,112	3,083,778	5,044,545	4,416,971	2,804,396	3,476,983	5,362,366	5,141,182	$6,471,147
EQUITY IN EARNINGS OF SUBSIDIARY COMPANIES	50,213	0	0	0	0	0	0	0	0	0
INTEREST & DIVIDEND INCOME	81,510	751,919	810,640	2,367,055	2,101,553	656,873	801,174	508,734	314,520	103,324
ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION	123,500	115,500	120,000	120,000	120,000	120,000	(27,000)	86,012	266,000	232,900
MISCELLANEOUS NONOPERATING INCOME	67,262	31,964	473,832	331,775	441,090	221,370	277,978	99,391	322,997	106,751
GAIN ON DISPOSITION OF PROPERTY	5,476	1,048,734	0	0	0	0	0	0	0	0
TOTAL OTHER INCOME	1,360,079	3,698,229	4,488,250	7,863,375	7,079,614	3,802,639	4,529,135	6,056,503	6,044,699	6,914,122
OTHER INCOME DEDUCTIONS:										
LOSS ON DISPOSITION OF PROPERTY	0	0	24,625	0	5,301	0	0	0	0	0
MISCELLANEOUS AMORTIZATION	31,704	0	0	0	0	0	0	0	0	0
MISCELLANEOUS INCOME DEDUCTIONS	114,971	111,447	127,329	136,358	168,280	123,698	278,694	281,547	260,799	311,283
TOTAL OTHER INCOME DEDUCTIONS	146,675	111,447	151,954	136,358	173,581	123,698	278,694	281,547	260,799	311,283
TAXES APPLICABLE TO OTHER INCOME AND DEDUCTIONS:										
TAXES OTHER THAN INCOME TAXES	41,260	67,711	109,150	115,514	135,672	119,896	122,341	162,542	172,158	209,912
INCOME TAXES - FEDERAL	446,091	1,303,995	1,460,462	3,016,087	2,806,662	1,604,156	1,757,901	2,445,964	2,080,468	1,928,804
- OTHER	0	0	0	0	0	0	0	0	0	0
PROVISION FOR DEFERRED INCOME TAXES	0	0	0	0	0	0	0	0	0	0
PROVISION FOR DEFERRED INCOME TAXES - CR.	0	0	0	0	0	0	0	0	0	0
INVESTMENT TAX CREDIT ADJ. - NET	0	0	0	0	0	0	0	0	0	0
INVESTMENT TAX CREDITS	0	0	0	0	0	0	0	0	0	0
TOTAL TAXES ON OTHER INCOME & DEDUCTIONS	487,351	1,371,706	1,569,612	3,131,601	2,942,334	1,724,052	1,880,242	2,608,506	2,252,626	2,138,716
NET OTHER INCOME & DEDUCTIONS	$726,053	$2,215,076	$2,766,684	$4,595,416	$3,963,699	$1,954,889	$2,370,199	$3,166,450	$3,531,274	$4,464,123

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JULY 26TH, 1988

WASHINGTON NATURAL GAS COMPANY ** TOTAL COMPANY OPERATIONS **
STATEMENT OF INCOME (CONTINUED)

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
INTEREST CHARGES										
INTEREST ON LONG-TERM DEBT	$8,176,609	$8,624,032	$9,768,761	$9,511,068	$13,792,448	$13,322,259	$14,260,272	$12,969,847	$13,672,348	$14,063,054
AMORT. OF DEBT DISC. AND EXPENSE	123,964	122,285	119,903	115,508	133,241	126,807	115,894	104,744	114,670	131,875
AMORT. OF LOSS IN REACQUIRED DEBT	0	0	0	0	0	0	0	0	0	0
AMORT. OF PREMIUM ON DEBT-CREDIT	0	0	0	0	0	0	0	0	0	0
AMORT. OF GAIN ON REACQUIRED DEBT-CREDIT	0	0	0	0	0	0	0	0	0	0
INTEREST ON DEBT TO ASSOC. COMPANIES	0	120,412	738,263	668,282	508,900	7,382	0	0	0	0
OTHER INTEREST EXPENSE	1,075,165	2,324,988	3,252,761	6,481,011	1,444,316	1,504,149	1,007,156	1,021,066	1,554,511	3,832,740
ALLOW. FOR BORROWED FUNDS USED DURING CONSTN.	0	0	0	0	0	0	0	0	0	0
NET INTEREST CHARGES	9,375,738	11,191,717	13,879,688	16,775,869	15,878,905	14,960,597	15,383,322	14,095,657	15,341,529	18,027,669
INCOME BEFORE EXTRAORDINARY ITEMS	6,070,521	7,217,555	6,885,135	12,513,272	12,637,869	10,700,392	16,898,386	25,194,928	20,319,157	15,214,833
EXTRAORDINARY ITEMS										
NET EXTRAORDINARY ITEMS	0	0	0	0	0	0	0	0	5,286,000	0
LESS: INCOME TAXES - FEDERAL AND OTHER	0	0	0	0	0	0	0	0	2,070,960	0
EXTRAORDINARY ITEMS AFTER TAXES	0	0	0	0	0	0	0	0	3,215,040	0
NET INCOME	$6,070,521	$7,217,555	$6,885,135	$12,513,272	$12,637,869	$10,700,392	$16,898,386	$25,194,928	$23,534,197	$15,214,833

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JULY 26TH, 1988

WASHINGTON NATURAL GAS COMPANY ** TOTAL COMPANY OPERATIONS **
STATEMENT OF UNAPPROPRIATED RETAINED EARNINGS, AND UNAPPROPRIATED
UNDISTRIBUTED SUBSIDIARY EARNINGS

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
STATEMENT OF UNAPPROPRIATED RET. EARNINGS										
BALANCE AT BEGINNING OF YEAR	$27,061,565	$27,934,578	$28,856,203	$29,268,505	$34,775,774	$36,137,002	$37,200,301	$40,799,487	$49,015,825	$53,960,337
CREDITS:										
BALANCE TRANSFERRED FROM INCOME	6,070,521	7,217,555	6,885,135	12,513,272	12,637,869	10,700,392	16,898,386	25,194,928	23,534,197	15,214,833
MISCELLANEOUS CREDITS	0	0	0	0	0	0	0	0	0	0
TOTAL CREDITS	6,070,521	7,217,555	6,885,135	12,513,272	12,637,869	10,700,392	16,898,386	25,194,928	23,534,197	15,214,833
DEBITS:										
APPROPRIATIONS OF RETAINED EARNINGS	0	0	0	0	0	0	0	0	0	0
DIVIDENDS DECLARED - COMMON STOCK	4,377,381	5,496,537	5,689,925	6,140,174	9,031,035	7,412,002	10,750,149	13,504,662	15,135,341	13,189,833
DIVIDENDS DECLARED - PREFERRED STOCK	820,127	799,393	782,908	865,829	2,245,606	2,225,091	2,549,051	3,473,928	3,454,344	1,351,600
MISCELLANEOUS DEBITS	0	0	0	0	0	0	0	0	0	0
TOTAL DEBITS	5,197,508	6,295,930	6,472,833	7,006,003	11,276,641	9,637,093	13,299,200	16,978,590	18,589,685	14,541,433
BALANCE AT END OF YEAR	$27,934,578	$28,856,203	$29,268,505	$34,775,774	$36,137,002	$37,200,301	$40,799,487	$49,015,825	$53,960,337	$54,633,737
UNAPPROPRIATED UNDISTRIBUTED SUBS. EARNINGS										
BALANCE AT BEGINNING OF YEAR	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
EQUITY IN EARNINGS FOR YEAR	0	0	0	0	0	0	0	0	0	0
DIVIDENDS RECEIVED	0	0	0	0	0	0	0	0	0	0
OTHER CHANGES	0	0	0	0	0	0	0	0	0	0
BALANCE AT END OF YEAR	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0

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JULY 26TH, 1988

WASHINGTON NATURAL GAS COMPANY ** TOTAL COMPANY OPERATIONS **
STATEMENT OF NET GAS OPERATING INCOME

STATEMENT OF NET GAS OPERATING INCOME	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
OPERATING REVENUES										
RESIDENTIAL SALES	$73,363,081	$85,856,399	$107,130,269	$112,027,469	$138,617,617	$124,063,497	$138,250,313	$153,913,883	$128,940,493	$116,699,723
COMMERCIAL SALES	55,918,289	65,349,056	85,800,107	89,321,666	109,428,731	100,170,970	114,091,305	123,425,567	98,198,560	85,382,283
INDUSTRIAL SALES	66,380,548	84,300,105	96,585,364	109,884,766	95,864,184	94,381,164	112,762,841	108,713,133	73,736,625	61,281,925
OTHER SALES	0	5,463,596	63,637	0	460,619	0	0	0	0	0
OTHER GAS REVENUES	2,322,026	2,345,580	2,594,871	3,306,020	3,563,195	3,782,005	4,085,318	4,552,852	13,776,174	12,729,001
TOTAL OPERATING REVENUES	197,983,944	243,314,736	292,174,248	314,539,921	347,934,346	322,397,636	369,189,777	390,605,435	314,651,852	276,092,932
OPERATING EXPENSES										
PRODUCTION:										
MANUFACTURED GAS	30,519	32,118	35,015	63,788	39,740	44,400	74,307	120,293	99,476	75,905
NATURAL GAS	135,786,620	173,306,728	212,739,069	221,082,702	245,400,317	218,488,375	245,481,994	245,359,694	180,670,225	150,986,906
UNDERGROUND STORAGE	186,950	204,207	301,408	251,531	249,743	253,832	347,390	279,374	263,037	280,931
OTHER STORAGE	0	0	0	0	0	0	0	0	0	0
TRANSMISSION	41,832	43,603	57,624	40,339	87,005	67,913	71,394	277,653	130,325	(156,410)
DISTRIBUTION	6,476,759	7,870,034	9,722,092	9,450,311	10,258,793	10,795,384	11,608,050	12,995,935	12,445,263	13,211,878
CUSTOMER ACCOUNTS	3,912,786	4,649,376	5,262,402	6,053,694	6,904,088	7,345,678	6,973,421	7,887,484	7,622,893	7,859,634
CUSTOMER SERVICE & INFORMATIONAL EXPENSES	0	0	0	0	0	0	0	384,070	4,428,804	4,838,263
SALES	2,306,845	3,329,484	4,080,519	4,073,027	4,470,154	4,540,827	5,468,859	6,724,193	2,831,969	2,944,459
ADMINISTRATIVE AND GENERAL	5,236,686	6,236,873	6,614,604	7,473,558	8,283,296	8,931,297	11,247,600	12,973,875	14,830,641	14,913,218
WEATHERIZATION	0	0	0	0	0	0	0	0	0	0
TOTAL OPERATION AND MAINT. EXPENSES	153,978,997	195,672,423	238,812,733	248,488,950	275,693,136	250,467,706	281,273,015	287,002,571	223,322,633	194,954,784
DEPRECIATION	6,629,972	7,076,845	7,715,268	8,600,784	9,949,168	10,887,817	11,498,336	13,363,128	14,647,502	16,262,215
AMORTIZATION	0	0	0	0	0	0	0	0	0	0
TAXES OTHER THAN INCOME TAXES	18,667,014	21,341,923	25,036,194	26,736,976	31,567,511	31,007,763	35,314,308	36,401,384	31,129,175	28,838,215
INCOME TAXES - FEDERAL	140,229	(374,619)	(1,122,455)	544,858	2,111,167	(823,778)	8,327,856	13,126,505	11,716,038	8,138,458
- OTHER	0	0	0	0	0	0	0	0	0	0
PROV. FOR DEFERRED INCOME TAXES	2,817,927	1,534,483	1,618,637	3,988,607	2,553,262	5,479,128	1,492,382	2,630,299	2,414,418	(309,011)
INCOME TAXES DEFERRED IN PRIOR YEARS (CR)	0	0	0	0	0	0	0	0	0	0
INVESTMENT TAX CREDIT ADJ. - NET	1,029,599	1,869,485	2,115,732	1,486,021	1,507,027	1,672,900	1,372,371	1,957,413	(707,326)	(570,108)
GAINS OR LOSSES FROM DISPOSITION OF UTILITY	0	0	0	0	0	0	0	0	0	0
TOTAL OPERATING EXPENSES	183,263,738	227,120,540	274,176,109	289,846,196	323,381,271	298,691,536	339,278,268	354,481,300	282,522,440	247,314,553
NET GAS OPERATING INCOME	$14,720,206	$16,194,196	$17,998,139	$24,693,725	$24,553,075	$23,706,100	$29,911,509	$36,124,135	$32,129,412	$28,778,379
OPERATING GAS REVENUES BY PERCENT										
RESIDENTIAL SALES	37.06%	35.29%	36.67%	35.62%	39.84%	38.48%	37.45%	39.40%	40.98%	42.27%
COMMERCIAL SALES	28.24	26.86	29.37	28.40	31.45	31.07	30.90	31.60	31.21	30.93
INDUSTRIAL SALES	33.53	34.65	33.06	34.94	27.55	29.27	30.54	27.83	23.43	22.20
OTHER SALES	0.00	2.25	0.02	0.00	0.13	0.00	0.00	0.00	0.00	0.00
OTHER GAS REVENUES	1.17	0.96	0.89	1.05	1.02	1.17	1.11	1.17	4.38	4.61
TOTAL OPERATING GAS REVENUES	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

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WASHINGTON NATURAL GAS COMPANY ** TOTAL COMPANY OPERATIONS **
STATEMENT OF CHANGES IN FINANCIAL POSITION

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
SOURCES OF FUNDS										
NET INCOME	$6,070,521	$7,217,555	$6,885,135	$12,513,272	$12,637,869	$10,700,392	$16,898,386	$25,194,928	$23,534,197	$15,214,833
PRINCIPAL NON-CASH CHARGES (CREDITS) TO INCOME:										
DEPRECIATION & DEPLETION	6,755,907	7,216,025	7,868,033	8,515,081	9,915,671	10,931,980	11,546,055	13,398,020	14,706,100	16,341,039
AMORTIZATION	31,704	0	0	0	0	0	0	0	0	0
PROV. FOR DEF. OR FUTURE INCOME TAXES (NET)	2,817,927	1,544,242	1,521,142	3,824,924	2,398,574	5,332,614	1,324,089	2,448,342	4,346,618	(435,693)
INVESTMENT TAX CREDIT ADJUSTMENTS	1,029,599	1,869,485	2,115,732	1,486,021	1,507,027	1,672,900	1,372,371	1,957,413	(707,326)	(570,108)
OTHER (NET)	0	0	0	0	0	0	0	0	0	0
TOTAL FUNDS FROM OPERATIONS	16,705,658	17,847,307	18,390,042	26,339,298	26,459,141	28,637,886	31,140,901	42,998,703	41,879,589	30,550,071
FUNDS FROM OUTSIDE SOURCES (NEW MONEY):										
LONG-TERM DEBT	0	15,125,000	0	9,700,000	28,355,000	10,230,000	0	895,000	40,480,000	30,000,000
PREFERRED STOCK	0	0	93,000	5,167,636	0	0	9,700,000	0	0	25,000,000
COMMON STOCK	259,393	6,639,795	5,871,162	500,000	910,022	208,163	5,760,029	2,981,607	3,241,878	9,894,710
NET INCREASE IN SHORT-TERM DEBT	17,000,000	0	12,500,000	216,718	0	706,370	0	0	0	0
OTHER (NET)	77,461	137,485	197,680	0	533,835	0	1,022,743	482,637	685,408	313,224
TOTAL FUNDS FROM OUTSIDE SOURCES	17,336,854	21,902,280	18,661,842	15,584,354	29,798,857	11,144,533	16,482,772	4,359,244	44,407,286	65,207,934
SALE OF NON-CURRENT ASSETS	0	0	0	0	0	0	0	0	0	0
CONTRIBUTIONS FROM ASSOC. & SUBS. COMPANIES	8,355,746	283,317	10,713,954	9,412,432	1,877,995	2,682,769	4,920,977	5,618,810	1,628,962	13,646,411
OTHER (NET)	0	7,505,975	6,163,324	10,848,030	4,658,276	13,314,977	10,795,865	26,480,543	35,284,352	9,644,821
TOTAL SOURCES OF FUNDS	$42,398,258	$47,538,879	$53,929,162	$62,184,114	$62,794,269	$55,780,165	$63,340,515	$79,457,300	$123,200,189	$119,049,237
APPLICATION OF FUNDS										
CONSTRUCTION & PLANT EXPENDITURES (INCL.LAND):										
GROSS ADD. TO UTIL. PLANT (LESS NUCLEAR FUEL)	$15,149,279	$21,348,327	$25,700,904	$22,857,478	$22,829,286	$25,126,858	$26,233,909	$35,536,718	$44,330,251	$50,785,626
GROSS ADDITIONS TO NUCLEAR FUEL	0	0	0	0	0	0	0	0	0	0
GROSS ADDITIONS TO COMMON UTILITY PLANT	0	0	0	0	0	0	0	0	0	0
GROSS ADDITIONS TO NONUTILITY PLANT	0	0	0	0	0	0	0	0	0	0
OTHER	0	0	0	0	0	0	0	0	0	0
TOTAL APPLIC. TO CONST. & PLANT EXPEND.	15,149,279	21,348,327	25,700,904	22,857,478	22,829,286	25,126,858	26,233,909	35,536,718	44,330,251	50,785,626
DIVIDENDS ON PREFERRED STOCK	820,127	799,393	782,908	865,829	2,245,606	2,225,091	2,549,051	3,473,928	3,454,344	1,351,600
DIVIDENDS ON COMMON STOCK	4,377,381	5,496,537	5,689,925	6,140,174	9,031,035	7,412,002	10,750,149	13,504,662	15,135,341	13,189,833
FUNDS FOR RETIREMENT OF SEC. & SHORT TERM DEBT:										
LONG-TERM DEBT	2,539,000	300,000	2,491,000	4,911,000	325,000	166,000	12,544,000	10,770,000	3,511,000	14,641,000
PREFERRED STOCK	311,300	350,600	300,000	6,700	326,400	273,500	0	290,300	300,000	20,300,000
REDEMPTION OF CAPITAL STOCK	0	0	0	0	0	0	0	0	0	0
NET DECREASE IN SHORT-TERM DEBT	0	2,000,000	0	0	19,000,000	9,000,000	0	0	0	0
OTHER (NET)	0	109,764	73,780	105,417	122,081	0	160,507	35,138	0	230,993
PURCHASE OF OTHER NON-CURRENT ASSETS	0	0	0	0	0	0	0	0	0	0
INVEST. IN & ADVANCES TO ASSOC. & SUB. CON.	(4,347,134)	0	9,919,099	9,034,317	1,667,238	0	0	422,633	10,000,000	197,034
OTHER (NET)	23,548,305	17,134,258	8,971,546	18,263,199	7,247,623	11,576,714	11,102,899	15,423,921	46,469,253	18,353,151
TOTAL APPLICATION OF FUNDS	$42,398,258	$47,538,879	$53,929,162	$62,184,114	$62,794,269	$55,780,165	$63,340,515	$79,457,300	$123,200,189	$119,049,237

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WASHINGTON NATURAL GAS COMPANY ** TOTAL COMPANY OPERATIONS **
PLANT, PRODUCTION AND SALES STATISTICS

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
GAS PLANT IN SERVICE AND HELD FOR FUTURE USE -- END OF YEAR										
INTANGIBLE PLANT	$166,152	$166,152	$166,152	$166,152	$166,152	$166,152	$166,152	$166,152	$166,152	$166,152
PRODUCTION AND STORAGE PLANT	9,943,785	10,861,647	10,947,776	11,174,430	11,122,370	11,914,132	11,939,928	11,944,324	11,990,797	12,015,614
TRANSMISSION AND DISTRIBUTION PLANT	198,092,662	227,565,114	248,030,163	265,730,716	283,950,923	301,653,423	323,019,216	351,066,853	382,502,214	423,960,871
GENERAL PLANT	10,384,509	10,908,693	11,817,941	15,267,850	16,366,611	18,620,017	20,371,838	25,286,561	32,045,072	37,082,537
TOTAL GAS PLANT IN SERVICE	218,587,108	249,501,606	270,962,032	292,339,148	311,606,056	332,353,724	355,497,134	388,463,890	426,704,235	473,225,174
PROPERTY HELD FOR FUTURE USE	0	0	0	0	0	0	0	0	0	0
LESS: ACCUM.PROV. FOR DEPR.& AMORT.- GAS	47,974,444	53,394,822	59,254,577	64,586,646	72,501,250	79,982,330	88,687,319	99,840,034	111,329,612	122,879,792
NET GAS PLANT	$170,612,664	$196,106,784	$211,707,455	$227,752,502	$239,104,806	$252,371,394	$266,809,815	$288,623,856	$315,374,623	$350,345,382
CONSTRUCTION WORK IN PROGRESS	$3,872,422	$1,214,978	$3,041,626	$1,239,888	$2,649,680	$2,975,538	$2,974,350	$2,963,517	$5,397,781	$4,993,151
ANNUAL GAS RECEIVED & DELIVERED(THERMS)										
GAS PRODUCED	0	0	0	0	0	0	0	0	0	0
GAS PURCHASED	696,811,000	723,058,000	626,918,000	605,831,000	567,747,000	551,562,000	620,321,000	674,770,000	582,606,000	613,040,000
GAS TRANSPORTED OR COMPRESSED FOR OTHERS	0	0	0	0	0	0	0	0	0	0
GAS RECEIVED FROM STORAGE	0	0	0	0	0	0	0	0	0	0
TOTAL GAS RECEIVED	696,811,000	723,058,000	626,918,000	605,831,000	567,747,000	551,562,000	620,321,000	674,770,000	582,606,000	613,040,000
GAS SOLD	677,319,000	719,166,000	623,925,000	593,055,000	557,193,000	530,864,000	609,757,000	659,264,000	588,717,000	594,129,000
GAS TRANSPORTED OR COMPRESSED FOR OTHERS	0	0	0	0	0	0	0	0	0	0
GAS USED BY COMPANY	258,000	285,000	372,000	316,000	585,000	376,000	577,000	585,000	563,000	695,000
GAS DELIVERED TO STORAGE	0	0	0	0	0	0	0	0	0	0
GAS UNACCOUNTED FOR	19,234,000	3,607,000	2,621,000	12,460,000	9,969,000	20,322,000	9,987,000	14,921,000	(6,674,000)	18,216,000
TOTAL GAS DELIVERED	696,811,000	723,058,000	626,918,000	605,831,000	567,747,000	551,562,000	620,321,000	674,770,000	582,606,000	613,040,000
UNACCOUNTED FOR TO TOTAL PRODUCED & PURCHASED	2.76	0.50	0.42	2.06	1.76	3.68	1.61	2.21	(1.15)	2.97
% DEPR/AMORT EXP TO TOTAL GAS PLANT IN SERV.	3.03	2.84	2.85	2.94	3.19	3.28	3.23	3.44	3.43	3.44
% NET GAS UTILITY OPR. INC. TO NET GAS PLANT	8.63	8.26	8.50	10.84	10.27	9.39	11.21	12.52	10.19	8.21
TRANS. & DISTRN. MAINS - FEET (END OF YEAR)	28,909,968	29,721,335	30,751,443	31,429,804	31,852,980	31,784,101	32,243,686	32,807,954	33,517,431	34,681,962
NO.OF METERS IN SERV.& HELD IN RESERVE (AVE.)	261,983	265,843	268,588	273,450	278,179	282,255	284,958	298,306	302,976	317,638
NUMBER OF CUSTOMERS - AVERAGE	230,915	236,645	244,322	250,553	252,318	254,683	260,718	268,397	277,870	292,426
AVERAGE B.T.U. CONTENT PER CU. FT.	1,046	1,048	1,057	1,054	1,055	1,043	1,050	1,045	1,034	1,042

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JULY 26TH, 1988

WASHINGTON NATURAL GAS COMPANY ** TOTAL COMPANY OPERATIONS **
SALES STATISTICS FOR GAS OPERATIONS

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
GAS SERVICE REVENUES										
RESIDENTIAL SALES	$73,363,081	$85,856,399	$107,130,269	$112,027,469	$138,617,617	$124,063,497	$138,250,313	$153,913,883	$128,940,493	$116,699,723
COMMERCIAL SALES	55,918,290	65,349,056	85,800,107	89,321,666	109,428,731	100,170,970	114,091,305	123,425,567	98,198,560	85,382,283
INDUSTRIAL SALES	66,380,548	84,300,105	96,585,364	109,884,766	95,864,184	94,381,164	112,762,841	108,713,133	73,736,625	61,281,925
SALES FOR RESALE	0	5,463,596	63,637	0	460,619	0	0	0	0	0
TOTAL GAS SERVICE REVENUES	$195,661,919	$240,969,156	$289,579,377	$311,233,901	$344,371,151	$318,615,631	$365,104,459	$386,052,583	$300,875,678	$263,363,931
THERMS OF GAS SOLD										
RESIDENTIAL SALES	215,849,580	217,739,739	208,715,657	189,003,166	207,707,699	184,086,914	206,093,853	236,413,995	216,706,192	216,733,987
COMMERCIAL SALES	189,683,327	191,194,033	184,170,013	170,292,010	179,230,660	167,986,155	191,040,284	211,683,430	193,203,148	192,918,666
INDUSTRIAL SALES	271,785,625	290,719,004	230,866,346	233,760,031	169,322,415	178,791,248	212,623,325	211,166,147	178,807,846	184,476,532
SALES FOR RESALE	0	19,512,844	173,399	0	932,428	0	0	0	0	0
TOTAL THERMS OF GAS SOLD	677,318,532	719,165,620	623,925,415	593,055,207	557,193,202	530,864,317	609,757,462	659,263,572	588,717,186	594,129,185
AVERAGE NUMBER OF GAS CUSTOMERS PER MONTH										
RESIDENTIAL SALES	206,064	211,059	218,160	223,930	225,484	227,687	233,063	239,911	248,543	261,847
COMMERCIAL SALES	24,212	24,899	25,425	24,668	24,535	24,578	25,166	25,795	26,599	27,831
INDUSTRIAL SALES	639	687	737	1,955	2,298	2,418	2,489	2,691	2,728	2,748
SALES FOR RESALE	0	0	0	0	1	0	0	0	0	0
TOTAL GAS CUSTOMERS	230,915	236,645	244,322	250,553	252,318	254,683	260,718	268,397	277,870	292,426
AVE. GAS SERVICE REVENUE/THERM SOLD (CENTS)										
RESIDENTIAL SALES	33.99	39.43	51.33	59.27	66.74	67.39	67.08	65.10	59.50	53.84
COMMERCIAL SALES	29.48	34.18	46.59	52.45	61.05	59.63	59.72	58.31	50.83	44.26
INDUSTRIAL SALES	24.42	29.00	41.84	47.00	56.62	52.79	53.03	51.48	41.24	33.22
SALES FOR RESALE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	28.89	33.51	46.41	52.48	61.80	60.02	59.88	58.56	51.11	44.33
AVERAGE GAS SERVICE REVENUE PER CUSTOMER										
RESIDENTIAL SALES	$356	$407	$491	$500	$615	$545	$593	$642	$519	$446
COMMERCIAL SALES	2,310	2,625	3,375	3,621	4,460	4,076	4,534	4,785	3,692	3,068
INDUSTRIAL SALES	103,882	122,708	131,052	56,207	41,716	39,033	45,304	40,399	27,030	22,301
SALES FOR RESALE	0	0	0	0	0	0	0	0	0	0
TOTAL	847	1,018	1,185	1,242	1,365	1,251	1,400	1,438	1,083	901
AVERAGE THERMS OF GAS SOLD PER CUSTOMER										
RESIDENTIAL SALES	1,047	1,032	957	844	921	809	884	985	872	828
COMMERCIAL SALES	7,834	7,679	7,244	6,903	7,305	6,835	7,591	8,206	7,264	6,932
INDUSTRIAL SALES	425,330	423,172	313,251	119,570	73,683	73,942	85,425	78,471	65,545	67,131
SALES FOR RESALE	0	0	0	0	0	0	0	0	0	0
TOTAL	2,933	3,039	2,554	2,367	2,208	2,084	2,339	2,456	2,119	2,032

NOTE: One therm is equal to 100,000 B.T.U.

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JULY 26TH, 1988

WASHINGTON WATER POWER COMPANY ** TOTAL COMPANY OPERATIONS **
BALANCE SHEET -- ASSETS AND OTHER DEBITS

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
UTILITY PLANT										
UTILITY PLANT	$588,179,375	$620,011,273	$653,617,126	$686,313,779	$716,987,107	$823,890,759	$1,036,979,384	$1,108,239,862	$1,238,520,434	$1,267,646,795
CONSTRUCTION WORK IN PROGRESS	57,574,089	78,727,986	119,624,512	223,125,779	391,708,495	392,954,161	260,604,557	284,950,363	18,129,319	17,432,415
TOTAL UTILITY PLANT	645,753,464	698,739,259	773,241,638	909,439,558	1,108,695,602	1,216,844,920	1,297,583,941	1,393,190,225	1,256,649,753	1,285,079,210
LESS ACCUM. PROV. FOR DEPR.AMORT. & DEPL.	119,240,316	126,356,891	136,886,104	148,260,533	160,282,890	167,239,642	186,571,668	205,583,543	221,577,039	249,503,267
NET UTILITY PLANT	526,513,148	572,382,368	636,355,534	761,179,025	948,412,712	1,049,605,278	1,111,012,273	1,187,606,682	1,035,072,714	1,035,575,943
GAS STORED UNDERGROUND - NONCURRENT	0	0	0	0	0	0	0	0	0	0
UTILITY PLANT ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0
OTHER PROPERTY AND INVESTMENTS										
NONUTIL. PROP.(LESS ACCUM. DEPR.& AMORT.)	75,547	952,752	903,189	370,791	948,005	1,347,263	1,164,685	975,924	2,635,863	2,633,854
INVESTMENT IN ASSOCIATED COMPANIES	0	0	0	0	0	0	0	0	0	0
INVESTMENT IN SUBSIDIARY COMPANIES	23,423,254	26,273,432	29,434,194	31,279,111	33,453,499	35,826,213	41,582,174	46,906,146	50,019,693	53,863,558
OTHER INVESTMENTS	541,582	1,003,549	3,327,336	10,264,514	15,189,589	16,725,531	11,537,788	10,344,651	134,197,391	132,732,416
SPECIAL FUNDS	5,000	5,000	5,000	0	0	0	0	0	0	0
TOTAL OTHER PROPERTY AND INVESTMENTS	24,045,383	28,234,733	33,669,719	41,914,416	49,591,093	53,899,007	54,284,647	58,226,721	186,852,947	189,229,828
CURRENT AND ACCRUED ASSETS										
CASH	266,558	420,940	814,930	770,762	1,247,607	186,080	1,627,146	1,844,245	250,151	481,474
SPECIAL DEPOSITS	130	130	130	0	0	0	0	0	0	2,056,000
WORKING FUNDS	97,826	107,740	117,785	252,343	260,024	254,791	266,089	287,036	263,020	231,653
TEMPORARY CASH INVESTMENTS	0	0	0	1,450,612	0	0	0	7,000,000	19,500,000	0
NOTES & ACCTS. REC.(LESS PROV. FOR UNCOLL. ACCTS.)	18,411,566	25,487,068	22,003,625	26,982,153	35,141,310	35,517,205	39,505,500	43,263,504	50,640,431	57,951,485
RECEIVABLES FROM ASSOC. COMPANIES	0	0	22,629	1,113,456	1,296,998	32,272	106,692	97,874	66,236	56,271
MATERIALS AND SUPPLIES	7,028,151	8,437,547	10,701,100	9,994,422	13,314,047	14,036,311	12,766,274	10,686,613	20,542,114	12,780,297
GAS STORED UNDERGROUND - CURRENT	212,633	189,237	189,479	189,479	0	4,953,162	1,808,103	3,281,630	4,136,047	4,136,047
LIQUEFIED NATURAL GAS STORED	0	0	0	0	189,479	189,479	189,479	189,479	189,479	189,479
PREPAYMENTS	441,593	225,855	108,652	66,827	266,005	363,915	236,923	478,268	934,180	1,512,625
ADVANCES FOR GAS EXPLORATION, DEV. & PRODUCTION	0	0	0	0	0	0	0	0	0	0
OTHER ADVANCES FOR GAS	0	0	0	0	0	0	0	0	0	0
INTEREST AND DIVIDENDS RECEIVABLE	7,527	7,231	7,316	97,685	822,750	12,782	580,989	[illegible],000	294,601	291,269
RENTS RECEIVABLE	35,116	135,252	(149)	3,334	7,681	101,152	117,041	[illegible]7,150	70,327	279,218
ACCRUED UTILITY REVENUES	0	0	0	0	0	0	0	0	0	0
MISC. CURRENT AND ACCRUED ASSETS	37,794	36,472	59,638	69,727	123,298	112,148	5,717	343,120	(151,730)	737,471
TOTAL CURRENT AND ACCRUED ASSETS	26,538,894	35,047,472	34,025,135	40,990,800	52,669,199	55,759,297	57,209,953	67,883,919	96,734,856	80,703,289
DEFERRED DEBITS										
UNAMORTIZED DEBT EXPENSE	1,894,785	1,766,614	1,643,620	2,942,975	2,762,248	3,714,601	4,976,376	4,792,563	15,219,341	15,070,408
EXTRAORDINARY PROPERTY LOSSES *	0	0	0	0	0	0	0	28,284,648	17,038,170	17,664,244
PRELIM. SURVEY & INVESTIGATION CHARGES	769,462	3,049,373	7,159,655	7,012,025	9,639,695	10,496,180	11,019,748	11,118,834	11,113,233	11,315,572
CLEARING ACCOUNTS	254,997	55,301	260,564	28,855	43,049	217,800	81,088	(305,399)	38,332	728,606
TEMPORARY FACILITIES	0	0	0	0	0	0	0	0	0	0
MISCELLANEOUS DEFERRED DEBITS	1,259,223	2,719,682	2,589,435	2,893,756	6,056,445	53,544,532	52,842,237	27,328,175	26,241,440	24,575,956
DEFERRED LOSSES FROM DISP. OF UTILITY PLANT	0	0	0	0	0	0	0	0	0	0
RESEARCH, DEVELOPMENT & DEMO. EXPENDITURES	241	25,776	0	0	322	0	0	0	4,779	5,479
UNAMORTIZED LOSS ON REACQUIRED DEBT	0	0	0	0	0	75,844	73,105	70,577	2,771,493	2,874,455
ACCUMULATED DEFERRED INCOME TAXES	0	0	0	0	0	0	0	0	3,199,209	25,748,162
UNRECOVERED PURCHASED GAS COSTS	0	0	0	0	0	0	0	0	0	0
TOTAL DEFERRED DEBITS	4,178,708	7,616,746	11,653,274	12,877,611	18,501,759	68,048,957	68,992,554	71,289,398	75,625,997	97,982,882
TOTAL ASSETS AND OTHER DEBITS	$581,276,133	$643,281,319	$715,703,662	$856,961,852	$1,069,174,763	$1,227,312,539	$1,291,499,427	$1,385,006,720	$1,394,286,514	$1,403,491,942

*INCLUDES ACCOUNT 182.2-UNRECOVERED PLANT AND REGUSTS

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JULY 26TH, 1988

WASHINGTON WATER POWER COMPANY ** TOTAL COMPANY OPERATIONS **
BALANCE SHEET -- LIABILITIES AND OTHER CREDITS

PROPRIETARY CAPITAL	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
COMMON STOCK ISSUED	$158,834,373	$162,117,606	$194,438,531	$238,666,478	$316,185,662	$362,031,658	$377,502,647	$393,230,127	$405,857,092	$408,282,375
PREFERRED STOCK ISSUED	25,000,000	25,000,000	55,000,000	70,000,000	95,000,000	95,000,000	140,000,000	185,000,000	175,000,000	175,000,000
CAPITAL STOCK SUBSCRIBED	0	0	0	0	0	0	0	0	0	0
STOCK LIABILITY FOR CONVERSION	0	0	0	0	0	0	0	0	0	0
PREMIUM ON CAPITAL STOCK	0	0	0	0	0	0	0	2	0	0
OTHER PAID-IN CAPITAL	0	0	0	0	0	0	(167,319)	(167,319)	(684,033)	(684,033)
INSTALLMENTS RECEIVED ON CAPITAL STOCK	65,651	57,498	66,173	82,475	52,746	49,805	25,950	35,456	10,310	94
DISCOUNT ON CAPITAL STOCK	0	0	0	0	0	0	0	0	0	0
CAPITAL STOCK EXPENSE	(441,156)	(441,156)	(957,870)	(1,379,508)	(1,858,296)	(2,016,200)	(2,395,787)	(3,417,057)	(6,348,759)	(6,380,166)
RETAINED EARNINGS	47,935,651	51,631,827	50,518,711	59,945,063	68,946,475	77,774,374	76,332,592	82,926,052	37,577,895	32,374,902
UNAPP. UNDISTRIBUTED SUBSIDIARY EARNINGS	7,559,253	9,409,431	12,220,193	14,005,170	16,171,568	17,441,219	18,584,636	23,886,864	27,000,411	30,844,276
REACQUIRED CAPITAL STOCK	0	0	0	0	0	0	0	0	0	0
TOTAL PROPRIETARY CAPITAL	238,953,772	247,775,206	311,285,738	381,319,678	494,498,155	550,280,856	609,882,719	681,494,125	638,412,916	639,437,448
LONG TERM DEBT										
BONDS	279,558,000	278,364,000	277,668,000	316,838,000	355,588,000	410,135,000	469,493,000	531,131,000	554,283,000	521,378,000
ADVANCES FROM ASSOCIATED COMPANIES	0	0	0	0	0	0	0	0	0	0
OTHER LONG-TERM DEBT	15,000,000	65,000,000	75,338,420	89,050,111	120,892,394	157,461,121	83,055,688	8,249,356	37,097,359	58,316,580
UNAMORTIZED PREMIUM ON LONG-TERM DEBT	804,690	754,008	704,886	655,727	609,521	575,456	541,227	506,923	473,778	440,579
UNAMORTIZED DISCOUNT ON LONG-TERM DEBT	0	0	0	0	0	(428,387)	(620,197)	(583,257)	(150,582)	(82,130)
TOTAL LONG-TERM DEBT	295,362,690	344,118,008	353,711,306	406,543,838	477,089,915	567,743,190	552,469,718	539,304,022	591,703,555	580,053,029
OTHER NONCURRENT LIABILITIES										
OBLIGATIONS UNDER CAPITAL LEASES--NONCURRENT	0	0	0	0	0	0	1,043,759	683,456	679,213	495,720
ACCUMULATED OPERATING RESERVES	0	0	0	0	0	0	0	0	0	0
ACCUMULATED PROVISIONS FOR RATE REFUNDS	0	0	0	0	0	0	0	0	0	0
TOTAL OTHER NONCURRENT LIABILITIES	0	0	0	0	0	0	1,043,759	683,456	679,213	495,720
CURRENT AND ACCRUED LIABILITIES										
NOTES PAYABLE	0	0	0	0	0	0	0	0	0	0
ACCOUNTS PAYABLE	13,601,190	19,721,904	15,034,133	21,048,064	20,088,054	17,849,112	18,186,523	16,423,195	10,302,708	15,214,700
PAYABLES TO ASSOCIATED COMPANIES	325,821	453,000	742,468	590,443	2,134,841	2,203,300	1,537,069	8,342	84,529	83,740
CUSTOMER DEPOSITS	76,048	133,341	123,712	143,975	241,963	303,306	455,336	674,730	821,460	744,606
TAXES ACCRUED	14,902,177	8,255,546	5,474,068	9,925,303	10,983,076	6,617,124	7,976,399	14,476,271	15,121,426	16,163,685
INTEREST ACCRUED	4,006,971	4,205,156	4,954,259	4,319,336	12,017,130	15,945,628	17,556,094	17,470,716	14,402,429	13,591,877
DIVIDENDS DECLARED	0	0	0	0	0	0	0	0	0	0
MATURED LONG TERM DEBT	0	0	0	0	0	0	0	0	0	0
MATURED INTEREST	0	0	0	0	0	0	0	0	0	0
TAX COLLECTIONS PAYABLE	29,068	23,338	24,778	33,823	36,445	23,757	24,605	17,215	(17,549)	41,324
MISC. CURRENT & ACCRUED LIABILITIES	2,587,595	2,923,330	3,200,050	3,446,083	3,135,793	4,245,630	4,869,975	5,124,356	5,498,667	7,236,311
OBLIGATIONS UNDER CAPITAL LEASES--CURRENT	0	0	0	0	0	0	606,330	482,571	344,880	177,493
TOTAL CURRENT AND ACCRUED LIABILITIES	35,528,870	35,715,615	29,553,468	39,507,027	48,637,302	47,187,857	51,212,331	54,677,396	46,558,550	53,253,736
DEFERRED CREDITS										
CUSTOMER ADVANCES FOR CONSTRUCTION	384,802	315,292	245,443	167,891	239,555	485,386	442,176	467,070	555,251	422,648
ACCUMULATED DEFERRED INVESTMENT TAX CREDITS	9,176,523	14,127,094	19,208,718	27,149,072	43,751,956	39,317,877	44,817,671	57,784,795	65,067,717	41,739,786
DEFERRED GAINS FROM DISP.OF UTILITY PLANT	0	0	0	0	0	0	0	0	0	0
OTHER DEFERRED CREDITS	1,869,476	1,230,104	1,698,989	1,504,817	2,225,386	2,715,928	941,288	4,405,042	9,682,592	10,525,951
UNAMORTIZED GAIN ON REACQUIRED DEBT	0	0	0	0	0	0	0	0	0	0
ACCUMULATED DEFERRED INCOME TAXES	0	0	0	769,529	2,732,494	19,581,445	30,689,765	46,190,816	41,626,720	77,563,624
TOTAL DEFERRED CREDITS	11,430,801	15,672,490	21,153,150	29,591,309	48,949,391	62,100,636	76,890,900	108,847,723	116,932,280	130,252,009
TOTAL LIABILITIES AND OTHER CREDITS	$581,276,133	$643,281,319	$715,703,662	$856,961,852	$1,069,174,763	$1,227,312,539	$1,291,499,427	$1,385,006,722	$1,394,286,514	$1,403,491,942

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JULY 26TH, 1988

WASHINGTON WATER POWER COMPANY ** TOTAL COMPANY OPERATIONS **
STATEMENT OF INCOME

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
UTILITY OPERATING INCOME										
OPERATING REVENUES	$206,685,285	$256,091,644	$290,462,615	$317,660,605	$346,852,831	$338,812,374	$413,310,280	$459,453,595	$389,866,588	$398,508,782
OPERATING EXPENSES:										
OPERATION EXPENSES	124,282,855	173,803,058	207,181,472	208,987,701	211,354,945	210,973,929	232,979,071	248,027,823	182,829,357	184,713,113
MAINTENANCE EXPENSES	7,365,099	8,435,707	9,527,227	8,971,394	10,494,687	9,424,554	15,802,275	16,138,792	14,411,535	15,736,327
DEPRECIATION EXPENSE	11,292,368	12,286,085	13,030,621	14,091,770	15,272,381	16,234,317	23,849,291	26,702,530	30,966,832	33,161,439
AMORT. & DEPL. OF UTILITY PLANT	4,197	4,197	4,197	4,197	4,197	4,197	4,197	4,197	13,822	1,017,012
AMORT. OF UTILITY PLANT ACQ. ADJ.	0	0	0	0	0	0	0	0	0	0
AMORT. OF PROPERTY LOSSES	0	0	0	0	0	0	0	2,213,485	2,940,828	3,023,268
AMORT. OF CONVERSION EXPENSES	0	0	0	0	0	0	0	0	0	0
TAXES OTHER THAN INCOME TAXES	14,442,887	15,468,199	15,296,126	17,676,369	20,470,053	24,270,492	30,584,734	32,533,354	33,656,064	32,638,214
INCOME TAXES - FEDERAL	5,997,374	942,234	(1,032,116)	1,738,005	1,897,236	(9,020,264)	693,529	6,281,839	6,934,804	24,499,762
- OTHER	417,973	304,731	180,638	770,177	303,895	(155,527)	619,885	765,162	818,774	449,473
PROVISION FOR DEFERRED INCOME TAXES	0	0	0	769,529	1,962,965	16,877,306	13,551,163	16,246,718	14,693,569	14,411,410
PROVISION FOR DEFERRED INCOME TAXES - CR.	0	0	0	0	0	0	0	(727,553)	(1,184,209)	(1,241,151)
INVESTMENT TAX CREDIT ADJ. - NET	3,624,599	4,950,571	5,081,624	7,940,354	12,390,643	(4,434,079)	5,499,794	12,992,269	7,307,711	(1,627,931)
GAINS FROM DISP. OF UTILITY PLANT	0	0	0	0	0	0	0	0	0	0
LOSSES FROM DISP. OF UTILITY PLANT	0	0	0	0	0	0	0	0	0	0
TOTAL UTILITY OPERATING EXPENSES	167,427,352	216,194,782	249,269,789	260,949,496	274,151,002	264,174,925	323,583,939	361,178,616	293,389,087	306,780,936
NET UTILITY OPERATING INCOME	39,257,933	39,896,862	41,192,826	56,711,109	72,701,829	74,637,449	89,726,341	98,274,979	96,477,501	91,727,846
OTHER INCOME AND DEDUCTIONS										
OTHER INCOME:										
NONUTILITY OPERATING INCOME	5,301	8,425	(8,746)	5,251	6,162	8,113	13,698	23,196	(112,217)	(53,183)
EQUITY IN EARNINGS OF SUBSIDIARY COMPANIES	3,288,970	3,816,878	4,798,762	5,184,116	5,773,146	6,104,751	5,356,027	5,302,228	3,113,547	3,843,865
INTEREST & DIVIDEND INCOME	116,828	90,431	109,665	6,292,232	6,546,481	1,845,108	2,097,485	1,311,430	1,922,072	1,553,382
ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION	1,680,097	1,597,628	2,231,800	6,142,951	10,249,339	19,991,351	18,078,748	20,209,717	12,929,517	530,945
MISCELLANEOUS NONOPERATING INCOME	1,200,651	110,628	104,221	555,330	427,675	65,340	76,282	280,812	166,743	(26,681)
GAIN ON DISPOSITION OF PROPERTY	94,088	60,334	14,197	584,104	58,723	80,895	16,748	74,386	70,612	309,898
TOTAL OTHER INCOME	6,385,935	5,684,324	7,249,899	18,763,984	23,061,526	28,095,558	25,638,988	27,201,769	18,090,274	6,158,226
OTHER INCOME DEDUCTIONS:										
LOSS ON DISPOSITION OF PROPERTY	4,901	99,251	22,800	25,877	312,282	916,103	95,057	34,413	1,360,324	51,055
MISCELLANEOUS AMORTIZATION	0	0	0	0	0	0	0	6,664	39,600	51,013
MISCELLANEOUS INCOME DEDUCTIONS	704,214	572,662	550,923	595,352	347,152	415,740	8,372,727	1,390,297	2,789,368	(1,017,700)
TOTAL OTHER INCOME DEDUCTIONS	709,115	671,913	573,723	621,229	659,434	1,331,843	8,467,784	1,431,374	4,189,292	(915,632)
TAXES APPLICABLE TO OTHER INCOME AND DEDUCTIONS:										
TAXES OTHER THAN INCOME TAXES	0	0	0	0	0	0	3,469	19,424	33,683	50,372
INCOME TAXES - FEDERAL	342,884	(306,331)	(212,591)	2,948,704	5,241,143	(14,521)	52,635	25,087	(1,030,630)	1,154,857
- OTHER	13,328	(12,535)	(6,406)	181,780	182,354	(1,962)	2,522	919	(52,264)	41,953
PROVISION FOR DEFERRED INCOME TAXES	0	0	0	0	0	0	0	0	6,651,440	762,363
PROVISION FOR DEFERRED INCOME TAXES - CR.	0	0	0	0	0	0	(2,442,843)	(18,114)	(3,558,124)	(275,582)
INVESTMENT TAX CREDIT ADJ. - NET	0	0	0	0	0	0	0	0	0	0
INVESTMENT TAX CREDITS	0	0	0	0	0	0	0	(25,145)	(24,789)	(21,700,000)
TOTAL TAXES ON OTHER INCOME & DEDUCTIONS	356,212	(318,866)	(218,997)	3,130,484	5,423,497	(16,483)	(2,384,217)	2,171	2,019,316	(19,966,037)
NET OTHER INCOME & DEDUCTIONS	$5,320,608	$5,331,277	$6,895,173	$15,012,271	$16,978,595	$26,780,198	$19,555,421	$25,768,224	$11,881,666	$27,039,895

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JULY 26TH, 1988

WASHINGTON WATER POWER COMPANY ** TOTAL COMPANY OPERATIONS **
STATEMENT OF INCOME (CONTINUED)

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
INTEREST CHARGES										
INTEREST ON LONG-TERM DEBT	$18,913,337	$21,971,737	$25,222,979	$33,899,554	$40,214,773	$50,753,640	$54,451,811	$54,206,260	$52,843,788	$50,024,609
AMORT. OF DEBT DISC. AND EXPENSE	129,530	128,171	122,994	400,368	610,683	581,549	387,950	751,105	645,552	815,085
AMORT. OF LOSS IN REACQUIRED DEBT	0	0	0	0	0	0	2,739	2,528	10,544	103,214
AMORT. OF PREMIUM ON DEBT-CREDIT	(50,471)	(50,682)	(49,122)	(49,139)	(46,206)	(34,065)	(34,229)	(34,304)	(33,145)	(33,199)
AMORT. OF GAIN ON REACQUIRED DEBT-CREDIT	0	0	0	0	0	0	0	0	(9,062)	0
INTEREST ON DEBT TO ASSOC. COMPANIES	27,652	66,072	91,892	311,559	505,263	242,127	178,748	22,137	0	0
OTHER INTEREST EXPENSE	(2,148,974)	(3,768,898)	(6,341,319)	(8,584,345)	(10,450,027)	1,682,078	390,516	668,878	304,609	466,526
ALLOW. FOR BORROWED FUNDS USED DURING CONSTN.	0	0	0	0	0	(19,514,922)	(12,012,377)	(12,975,369)	(7,817,462)	(722,564)
NET INTEREST CHARGES	16,871,074	18,346,400	19,047,424	25,977,977	30,834,486	33,710,407	43,365,158	42,641,235	45,944,824	50,653,671
INCOME BEFORE EXTRAORDINARY ITEMS	27,707,467	26,881,739	29,040,575	45,745,403	58,845,938	67,707,240	65,916,604	81,401,968	62,414,343	68,114,070
								0		
								0		
EXTRAORDINARY ITEMS										
NET EXTRAORDINARY ITEMS	0	0	0	0	0	0	0	0	(55,492,221)	0
LESS: INCOME TAXES - FEDERAL AND OTHER	0	0	0	0	0	0	0	0	(22,635,696)	0
EXTRAORDINARY ITEMS AFTER TAXES	0	0	0	0	0	0	0	0	(32,856,525)	0
NET INCOME	$27,707,467	$26,881,739	$29,040,575	$45,745,403	$58,845,938	$67,707,240	$65,916,604	$81,401,968	$29,557,818	$68,114,070

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JULY 26TH, 1988

WASHINGTON WATER POWER COMPANY ** TOTAL COMPANY OPERATIONS **
STATEMENT OF UNAPPROPRIATED RETAINED EARNINGS, AND UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
STATEMENT OF UNAPPROPRIATED RET. EARNINGS										
BALANCE AT BEGINNING OF YEAR *	$35,605,901	$45,767,394	$49,049,783	$48,478,707	$58,447,099	$67,990,648	$76,818,547	$75,376,765	$81,970,225	$39,104,620
CREDITS:										
BALANCE TRANSFERRED FROM INCOME	24,418,497	23,064,860	24,241,813	40,561,287	53,072,791	61,602,489	60,560,577	76,099,739	26,444,271	64,270,205
MISCELLANEOUS CREDITS	3,133,540	2,508,740	2,530,040	3,941,179	4,148,886	5,790,927	4,212,610	0	0	0
TOTAL CREDITS	27,552,037	25,573,600	26,771,853	44,502,466	57,221,677	67,393,416	64,773,187	76,099,739	26,444,271	64,270,205
DEBITS:										
APPROPRIATIONS OF RETAINED EARNINGS	0	0	0	0	0	0	0	0	0	592,294
DIVIDENDS DECLARED - COMMON STOCK	15,984,294	18,804,134	21,549,929	27,800,610	37,223,378	45,790,440	50,825,139	52,857,044	54,374,242	55,135,750
DIVIDENDS DECLARED - PREFERRED STOCK	1,406,250	2,531,250	5,793,000	6,733,464	10,454,750	11,819,250	15,389,830	16,649,235	17,418,186	16,820,000
MISCELLANEOUS DEBITS	0	0	0	0	0	0	0	0	0	0
TOTAL DEBITS	17,390,544	21,335,384	27,342,929	34,534,074	47,678,128	57,609,690	66,214,969	69,506,279	71,792,428	72,548,044
BALANCE AT END OF YEAR	$45,767,394	$50,005,610	$48,478,707	$58,447,099	$67,990,648	$77,774,374	$75,376,765	$81,970,225	$36,622,068	$30,826,781
UNAPPROPRIATED UNDISTRIBUTED SUBS. EARNINGS										
BALANCE AT BEGINNING OF YEAR	$6,861,783	$7,559,253	$9,409,431	$12,220,193	$14,005,170	$16,171,568	$17,441,219	$18,584,636	$23,886,864	$27,000,411
EQUITY IN EARNINGS FOR YEAR	3,288,970	3,816,878	4,798,762	5,184,116	5,773,146	6,104,751	5,356,027	5,302,228	3,113,547	3,843,865
DIVIDENDS RECEIVED	2,591,500	1,966,700	1,988,000	3,514,500	3,606,800	4,835,100	4,082,500	0	0	0
OTHER CHANGES	0	0	0	115,361	72	0	(130,110)	0	0	0
BALANCE AT END OF YEAR	$7,559,253	$9,409,431	$12,220,193	$14,005,170	$16,171,568	$17,441,219	$18,584,636	$23,886,864	$27,000,411	$30,844,276

* RETAINED EARNINGS BEGINNING BALANCE FOR 1987 DOES NOT EQUAL THE ENDING BALANCE FOR 1986 DUE TO AN ADJUSTMENT PER COMPANY.

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JULY 26TH, 1988

WASHINGTON WATER POWER COMPANY ** TOTAL COMPANY OPERATIONS **
STATEMENT OF NET GAS OPERATING INCOME

STATEMENT OF NET GAS OPERATING INCOME	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
OPERATING REVENUES										
RESIDENTIAL SALES	$23,956,430	$27,046,027	$31,123,682	$31,191,145	$38,927,430	$34,781,657	$38,375,063	$39,288,754	$29,389,330	$25,737,311
COMMERCIAL SALES	18,297,712	21,927,023	26,666,165	27,680,769	36,274,868	33,058,539	35,438,863	35,712,502	26,182,539	22,262,113
INDUSTRIAL SALES	42,487,242	57,276,327	72,441,310	62,084,107	59,199,259	51,995,289	55,509,890	51,194,683	23,982,515	12,123,190
OTHER SALES	0	12,213,553	2,351,385	0	483,703	0	0	0	0	0
OTHER OPERATING REVENUES	415,762	2,642	1,221	43,163	3,896	744,702	1,665,043	2,498,056	6,007,188	9,529,981
TOTAL OPERATING REVENUES	85,157,146	118,465,572	132,583,763	120,999,184	134,889,156	120,580,187	130,988,859	128,693,995	85,561,572	69,652,595
OPERATING EXPENSES										
PRODUCTION:										
MANUFACTURED GAS	0	0	0	0	0	0	0	0	0	0
NATURAL GAS	68,584,600	97,886,193	113,540,045	101,618,960	109,764,226	93,491,804	98,780,938	95,532,379	57,929,682	36,093,747
UNDERGROUND STORAGE	242,323	270,783	370,770	297,894	327,636	303,766	452,142	372,172	302,171	349,545
OTHER STORAGE	0	0	0	0	0	0	0	0	0	0
TRANSMISSION	0	0	0	0	0	0	0	0	0	0
DISTRIBUTION	1,220,340	1,438,865	1,406,177	1,517,805	1,462,522	1,315,970	1,515,752	1,630,146	1,658,816	1,942,834
CUSTOMER ACCOUNTS	1,051,593	1,226,506	1,299,682	1,638,681	2,091,645	2,105,946	2,002,711	2,108,163	2,466,866	2,651,676
CUSTOMER SERVICE & INFORMATIONAL EXPENSES	229,257	423,031	365,604	353,174	366,601	342,611	393,819	494,953	499,246	387,085
SALES	39,523	38,234	79,886	127,652	128,588	172,284	283,085	407,425	315,288	220,482
ADMINISTRATIVE AND GENERAL	3,034,880	3,341,215	3,711,647	4,466,649	5,167,043	5,183,069	5,808,451	6,170,562	6,346,591	6,204,233
WEATHERIZATION	0	0	0	0	0	0	0	0	0	0
TOTAL OPERATION AND MAINT. EXPENSES	74,402,516	104,624,827	120,773,811	110,020,815	119,308,261	102,915,450	109,236,898	106,715,800	69,518,660	47,849,602
DEPRECIATION	1,862,102	1,849,763	1,971,680	2,049,645	2,175,167	2,338,459	2,547,292	2,674,304	2,825,521	3,023,062
AMORTIZATION	0	0	0	0	0	0	0	0	0	0
TAXES OTHER THAN INCOME TAXES	3,438,085	4,016,386	4,173,870	4,315,109	5,201,555	5,660,105	6,165,478	6,123,663	5,132,515	5,325,657
INCOME TAXES - FEDERAL	931,538	1,714,623	718,703	(132,487)	1,401,918	120,367	2,500,110	3,078,812	300,067	3,616,165
- OTHER	81,200	54,773	30,370	143,928	(26,250)	(23,304)	62,910	31,024	40,547	(3,984)
PROV. FOR DEFERRED INCOME TAXES	0	0	0	26,861	94,207	135,573	174,993	239,770	301,173	355,410
INCOME TAXES DEFERRED IN PRIOR YEARS (CR)	0	0	0	0	0	0	0	0	0	29,820
INVESTMENT TAX CREDIT ADJ. - NET	60,664	179,954	82,708	208,220	288,493	(106,341)	100,109	216,606	253,974	(49,308)
GAINS OR LOSSES FROM DISPOSITION OF UTILITY	0	0	0	0	0	0	0	0	0	0
TOTAL OPERATING EXPENSES	80,776,105	112,440,326	127,751,142	116,632,091	128,443,351	111,040,309	120,787,790	119,079,979	78,372,457	60,146,424
NET GAS OPERATING INCOME	$4,381,041	$6,025,246	$4,832,621	$4,367,093	$6,445,805	$9,539,878	$10,201,069	$9,614,016	$7,189,115	$9,506,171
OPERATING GAS REVENUES BY PERCENT										
RESIDENTIAL SALES	28.13%	22.83%	23.47%	25.78%	28.86%	28.85%	29.30%	30.53%	34.35%	36.95%
COMMERCIAL SALES	21.49	18.51	20.11	22.88	26.89	27.42	27.05	27.75	30.60	31.96
INDUSTRIAL SALES	49.89	48.35	54.64	51.31	43.89	43.12	42.38	39.78	28.03	17.41
OTHER SALES	0.00	10.31	1.77	0.00	0.36	0.00	0.00	0.00	0.00	0.00
OTHER GAS REVENUES	0.49	0.00	0.00	0.04	0.00	0.62	1.27	1.94	7.02	13.68
TOTAL OPERATING GAS REVENUES	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

WWPGASST: 6ST
JULY 26TH, 1988

WASHINGTON WATER POWER COMPANY ** WASHINGTON OPERATIONS ONLY **
STATEMENT OF NET GAS OPERATING INCOME

STATEMENT OF NET GAS OPERATING INCOME	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
OPERATING REVENUES										
RESIDENTIAL SALES	$19,564,611	$22,038,745	$25,211,028	$25,272,576	$31,419,974	$28,017,703	$31,041,467	$31,563,022	$23,468,048	$20,363,186
COMMERCIAL SALES	13,663,853	16,257,497	19,699,090	20,380,537	26,872,016	24,567,521	27,383,967	27,414,176	19,891,356	16,888,338
INDUSTRIAL SALES	23,022,941	33,672,033	39,208,959	35,762,616	37,682,097	34,742,637	36,307,529	34,210,793	17,135,695	8,291,804
OTHER SALES	0	7,892,398	1,530,552	0	323,936	0	0	0	0	0
OTHER OPERATING REVENUES	262,475	2,140	1,165	27,848	1,727	477,604	1,201,067	1,784,088	5,311,517	7,986,871
TOTAL OPERATING REVENUES	56,513,880	79,862,813	85,650,794	81,443,577	96,299,750	87,805,465	95,934,030	94,972,079	65,806,616	53,530,199
OPERATING EXPENSES										
PRODUCTION:										
MANUFACTURED GAS	0	0	0	0	0	0	0	0	0	0
NATURAL GAS	42,997,189	62,976,285	71,068,742	65,925,181	76,394,456	66,789,677	70,369,774	68,568,403	43,355,076	26,527,081
UNDERGROUND STORAGE	152,299	174,980	241,371	189,877	219,418	194,655	326,128	258,288	212,550	245,867
OTHER STORAGE	0	0	0	0	0	0	0	0	0	0
TRANSMISSION	0	0	0	0	0	0	0	0	0	0
DISTRIBUTION	876,178	1,020,586	1,019,063	1,059,036	1,026,720	888,782	1,043,601	1,090,317	1,151,646	1,330,902
CUSTOMER ACCOUNTS	798,773	942,222	991,312	1,263,073	1,637,402	1,658,590	1,549,818	1,640,097	1,905,163	1,994,939
CUSTOMER SERVICE & INFORMATIONAL EXPENSES	182,670	325,822	271,052	257,487	270,817	255,897	293,908	372,540	393,433	305,499
SALES	28,779	28,712	61,156	98,251	98,566	133,182	197,714	284,052	183,873	152,322
ADMINISTRATIVE AND GENERAL	2,307,946	2,650,651	2,910,634	3,329,188	3,962,945	4,129,568	4,668,867	4,912,753	5,012,290	4,816,655
WEATHERIZATION	0	0	0	0	0	0	0	0	0	0
TOTAL OPERATION AND MAINT. EXPENSES	47,343,834	68,119,258	76,563,330	72,122,093	83,610,324	74,050,351	78,449,810	77,126,450	52,214,031	35,373,265
DEPRECIATION	1,390,958	1,384,341	1,475,017	1,522,252	1,623,035	1,738,119	1,923,182	2,004,109	2,119,619	2,200,520
AMORTIZATION	0	0	0	0	0	0	0	0	0	0
TAXES OTHER THAN INCOME TAXES	3,089,779	3,734,749	3,961,454	4,063,417	4,959,312	5,374,459	5,859,834	5,798,365	4,768,174	4,892,998
INCOME TAXES - FEDERAL	992,870	1,599,206	310,465	125,237	1,128,785	71,497	1,860,735	2,751,929	667,392	3,081,083
- OTHER	0	0	0	0	0	0	0	0	0	0
PROV. FOR DEFERRED INCOME TAXES	0	0	0	0	0	98,875	126,357	0	0	0
INCOME TAXES DEFERRED IN PRIOR YEARS (CR)	0	0	0	0	0	0	0	0	0	0
INVESTMENT TAX CREDIT ADJ. - NET	41,178	114,378	45,829	138,599	186,307	(59,217)	77,548	(26,329)	(33,209)	(30,626)
GAINS OR LOSSES FROM DISPOSITION OF UTILITY	0	0	0	0	0	0	0	0	0	0
TOTAL OPERATING EXPENSES	52,858,619	74,951,932	82,356,095	77,971,598	91,507,763	81,274,084	88,297,466	87,654,524	59,736,007	45,517,240
NET GAS OPERATING INCOME	$3,655,261	$4,910,881	$3,294,699	$3,471,979	$4,791,987	$6,531,381	$7,636,564	$7,317,555	$6,070,609	$8,012,959
OPERATING GAS REVENUES BY PERCENT										
RESIDENTIAL SALES	34.62%	27.60%	29.43%	31.03%	32.63%	31.91%	32.36%	33.23%	35.66%	38.04%
COMMERCIAL SALES	24.18	20.36	23.00	25.02	27.90	27.98	28.54	28.87	30.23	31.55
INDUSTRIAL SALES	40.74	42.16	45.78	43.91	39.13	39.57	37.85	36.02	26.04	15.49
OTHER SALES	0.00	9.88	1.79	0.00	0.34	0.00	0.00	0.00	0.00	0.00
OTHER GAS REVENUES	0.46	0.00	0.00	0.03	0.00	0.54	1.25	1.88	8.07	14.92
TOTAL OPERATING GAS REVENUES	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

WWPGAS: 7
JULY 26TH, 1988

WASHINGTON WATER POWER COMPANY ** TOTAL COMPANY OPERATIONS **
STATEMENT OF CHANGES IN FINANCIAL POSITION

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
SOURCES OF FUNDS										
NET INCOME	$28,249,507	$27,423,779	$29,582,615	$46,287,443	$59,388,075	$67,707,240	$65,916,604	$81,401,968	$62,414,343	$68,114,070
PRINCIPAL NON-CASH CHARGES (CREDITS) TO INCOME:										
DEPRECIATION & DEPLETION	11,553,141	12,618,343	13,405,896	14,641,376	15,920,089	16,875,632	24,522,578	27,392,539	31,679,305	33,863,050
AMORTIZATION	129,529	128,171	122,994	351,209	564,476	2,057,402	2,051,028	5,048,149	6,702,977	6,701,626
PROV. FOR DEF. OR FUTURE INCOME TAXES (NET)	0	0	0	769,529	1,962,965	16,877,306	13,551,163	15,501,051	16,602,676	13,657,040
INVESTMENT TAX CREDIT ADJUSTMENTS	3,624,599	(479,845)	(3,626,141)	(7,280,526)	(5,947,089)	(43,940,352)	(24,591,331)	12,967,124	7,282,922	(23,327,931)
OTHER (NET)	(5,164,053)	(2,392,218)	(3,352,802)	(2,211,656)	(2,694,002)	(1,151,499)	3,553,200	(107,993,592)	(23,860,526)	(5,097,374)
TOTAL FUNDS FROM OPERATIONS	38,392,723	37,298,230	36,132,562	52,557,375	69,194,514	58,425,729	85,003,242	34,317,239	100,821,697	93,910,481
FUNDS FROM OUTSIDE SOURCES (NEW MONEY):										
LONG-TERM DEBT	0	0	0	40,000,000	60,000,000	60,000,000	60,000,000	0	80,000,000	0
PREFERRED STOCK	25,000,000	0	30,000,000	15,000,000	25,000,000	0	70,000,000	45,000,000	20,000,000	0
COMMON STOCK	22,831,210	3,275,080	32,329,600	44,244,248	77,489,456	45,843,055	15,447,134	15,736,986	12,601,818	2,415,067
NET INCREASE IN SHORT-TERM DEBT	0	0	0	0	31,500,000	19,500,000	0	(17,500,000)	19,800,000	21,300,000
OTHER (NET)	44,000,000	65,000,000	86,000,000	13,798,567	(20,145,637)	10,203,844	10,951,661	5,317,837	84,003,727	17,000,000
TOTAL FUNDS FROM OUTSIDE SOURCES	91,831,210	68,275,080	148,329,600	113,042,815	173,843,819	135,546,899	156,398,795	48,554,823	216,405,545	40,715,067
SALE OF NON-CURRENT ASSETS	0	0	0	0	0	9,129,222	0	0	19,500,000	0
CONTRIBUTIONS FROM ASSOC. & SUBS. COMPANIES	0	0	0	0	0	0	0	0	0	0
OTHER (NET)	8,173,413	(13,775,818)	(5,074,406)	1,375,486	(4,080,898)	982,201	4,033,127	46,151	20,838,658	3,394,139
TOTAL SOURCES OF FUNDS	$138,397,346	$91,797,492	$179,387,756	$166,975,676	$238,957,435	$204,084,051	$245,435,164	$82,918,213	$357,565,900	$138,019,687
APPLICATION OF FUNDS										
CONSTRUCTION & PLANT EXPENDITURES (INCL.LAND):										
GROSS ADD. TO UTIL. PLANT (LESS NUCLEAR FUEL)	$56,052,802	$53,268,108	$77,446,402	$139,504,342	$203,186,926	$166,930,490	$88,854,963	$103,581,796	$99,777,270	$35,339,827
GROSS ADDITIONS TO NUCLEAR FUEL	0	0	0	0	0	1,008,132	361,895	399,557	(3,703,236)	0
GROSS ADDITIONS TO COMMON UTILITY PLANT	0	0	0	0	0	0	0	0	0	0
GROSS ADDITIONS TO NONUTILITY PLANT	0	0	0	0	0	0	0	0	0	20,201
OTHER	0	0	(8,707,766)	(15,220,880)	(22,549,973)	(39,506,273)	(30,091,125)	(35,114,379)	(27,682,869)	(1,253,509)
TOTAL APPLIC. TO CONST. & PLANT EXPEND.	56,052,802	53,268,108	68,738,636	124,283,462	180,636,953	128,432,349	59,125,733	68,866,974	68,391,165	34,106,519
DIVIDENDS ON PREFERRED STOCK	1,406,250	2,531,250	5,793,000	6,733,464	10,454,750	11,819,250	15,389,830	0	17,418,186	16,820,000
DIVIDENDS ON COMMON STOCK	15,984,294	18,804,134	21,549,929	27,800,610	37,223,378	45,790,440	50,825,139	0	54,374,243	55,135,750
FUNDS FOR RETIREMENT OF SEC. & SHORT TERM DEBT:										
LONG-TERM DEBT	7,954,000	1,194,000	696,000	916,876	974,043	453,000	50,642,000	862,000	65,148,000	49,905,000
PREFERRED STOCK	0	0	0	0	0	0	25,000,000	0	30,000,000	0
REDEMPTION OF CAPITAL STOCK	0	0	0	0	0	0	0	0	0	0
NET DECREASE IN SHORT-TERM DEBT	0	0	0	0	0	0	33,500,000	0	0	0
OTHER (NET)	57,000,000	15,000,000	82,210,191	0	0	122,162	33,847	124,168	79,541,191	(19,419,221)
PURCHASE OF OTHER NON-CURRENT ASSETS	0	0	0	0	0	0	0	0	0	0
INVEST. IN & ADVANCES TO ASSOC. & SUB. COM.	0	1,000,000	400,000	275,000	145,000	1,321,215	4,564,710	21,743	0	0
OTHER (NET)	0	0	0	6,966,264	9,523,311	16,145,635	6,353,905	13,043,328	42,693,115	1,471,639
TOTAL APPLICATION OF FUNDS	$138,397,346	$91,797,492	$179,387,756	$166,975,676	$238,957,435	$204,084,051	$245,435,164	$82,918,213	$357,565,900	$138,019,687

WWPGAS: 8
JULY 26TH, 1988

WASHINGTON WATER POWER COMPANY ** TOTAL COMPANY OPERATIONS **
PLANT, PRODUCTION AND SALES STATISTICS

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
GAS PLANT IN SERVICE AND HELD FOR FUTURE USE -- END OF YEAR										
INTANGIBLE PLANT	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
PRODUCTION AND STORAGE PLANT	11,001,497	12,294,524	12,659,275	13,407,215	13,440,819	13,322,916	13,373,942	13,372,749	13,384,578	13,412,759
TRANSMISSION AND DISTRIBUTION PLANT	59,884,612	62,692,092	64,601,810	66,508,572	67,778,634	69,345,763	72,073,590	74,750,864	79,851,262	83,318,204
GENERAL PLANT	7,963,747	9,062,722	9,770,956	10,523,053	11,532,152	12,723,608	14,301,226	17,128,796	14,169,756	15,731,085
TOTAL GAS PLANT IN SERVICE	78,849,856	84,049,338	87,032,041	90,438,840	92,751,605	95,392,287	99,748,758	105,252,409	107,405,596	112,462,048
PROPERTY HELD FOR FUTURE USE	0	0	0	0	0	0	0	0	0	0
LESS: ACCUM.PROV. FOR DEPR.& AMORT.- GAS	17,908,231	19,416,587	21,238,628	23,300,956	25,332,945	27,480,628	30,024,905	32,444,895	33,642,901	36,443,866
NET GAS PLANT	$60,941,625	$64,632,751	$65,793,413	$67,137,884	$67,418,660	$67,911,659	$69,723,853	$72,807,514	$73,762,695	$76,018,182
CONSTRUCTION WORK IN PROGRESS	$313,812	$187,359	$257,471	$39,654	$92,691	$717,208	$109,922	$251,997	$261,701	$331,571
ANNUAL GAS RECEIVED & DELIVERED(THERMS)										
GAS PRODUCED	0	0	0	0	0	0	0	0	0	0
GAS PURCHASED	310,791,500	357,856,695	334,701,708	278,848,710	254,831,953	241,170,391	246,881,271	267,028,147	196,314,496	157,611,967
GAS TRANSPORTED OR COMPRESSED FOR OTHERS	0	0	0	0	0	0	0	0	0	90,833,283
GAS RECEIVED FROM STORAGE	31,583,000	50,295,715	0	0	0	41,041,675	8,319,113	429,671	0	0
TOTAL GAS RECEIVED	342,374,500	408,152,410	334,701,708	278,848,710	254,831,953	282,212,066	255,200,384	267,457,818	196,314,496	248,445,250
GAS SOLD	337,909,724	411,656,889	336,375,558	278,199,504	257,035,126	227,303,042	254,407,326	264,653,380	184,951,495	153,421,850
GAS TRANSPORTED OR COMPRESSED FOR OTHERS	0	0	0	0	0	0	0	0	0	90,833,283
GAS USED BY COMPANY	0	0	0	0	0	0	0	0	0	0
GAS DELIVERED TO STORAGE	0	0	0	0	0	54,681,000	0	5,000,000	5,477,671	0
GAS UNACCOUNTED FOR	4,464,776	(3,504,479)	(1,673,850)	649,206	(2,203,173)	228,024	793,058	(2,195,562)	5,885,330	4,190,117
TOTAL GAS DELIVERED	342,374,500	408,152,410	334,701,708	278,848,710	254,831,953	282,212,066	255,200,384	267,457,818	196,314,496	248,445,250
UNACCOUNTED FOR TO TOTAL PRODUCED & PURCHASED	1.30	(0.86)	(0.50)	0.23	(0.86)	0.08	0.31	(0.82)	3.00	1.69
% DEPR/AMORT EXP TO TOTAL GAS PLANT IN SERV.	2.36	2.20	2.27	2.27	2.35	2.45	2.55	2.54	2.63	2.69
% NET GAS UTILITY OPR. INC. TO NET GAS PLANT	7.19	9.32	7.35	6.50	9.56	14.05	14.63	13.20	9.75	12.51
TRANS. & DISTRN. MAINS - FEET (END OF YEAR)	10,898,811	11,134,061	11,300,883	11,433,447	11,487,693	11,600,496	11,758,944	11,941,744	12,266,467	12,475,512
NO.OF METERS IN SERV.& HELD IN RESERVE (AVE.)	75,464	77,385	79,030	79,883	80,564	80,673	83,650	85,674	86,169	87,422
NUMBER OF CUSTOMERS - AVERAGE	72,973	73,869	75,752	75,408	75,540	75,420	76,788	78,089	80,566	83,291
AVERAGE B.T.U. CONTENT PER CU. FT.	1,060	1,050	1,051	1,052	1,056	1,047	1,043	1,043	1,016	1,030

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WASHINGTON WATER POWER COMPANY ** WASHINGTON OPERATIONS ONLY **
PLANT, PRODUCTION AND SALES STATISTICS

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
GAS PLANT IN SERVICE AND HELD FOR FUTURE USE -- END OF YEAR										
INTANGIBLE PLANT	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
PRODUCTION AND STORAGE PLANT	6,914,440	7,944,721	8,241,189	8,545,759	9,001,318	8,537,326	9,646,625	9,280,688	9,414,712	9,434,535
TRANSMISSION AND DISTRIBUTION PLANT	46,304,442	48,418,365	49,695,255	50,897,002	51,839,124	53,005,409	54,978,507	56,844,451	60,841,606	62,617,781
GENERAL PLANT	5,793,441	6,687,499	7,183,894	7,791,543	8,462,320	9,497,392	10,722,924	12,792,611	10,437,226	11,680,542
TOTAL GAS PLANT IN SERVICE	59,012,323	63,050,585	65,120,338	67,234,304	69,302,762	71,040,127	75,348,056	78,917,750	80,693,544	83,732,858
PROPERTY HELD FOR FUTURE USE	0	0	0	0	0	0	0	0	0	0
LESS: ACCUM.PROV. FOR DEPR.& AMORT.- GAS	13,528,924	14,706,906	16,021,901	17,468,172	19,042,463	20,583,714	22,728,348	24,373,232	25,323,218	26,493,850
NET GAS PLANT	$45,483,399	$48,343,679	$49,098,437	$49,766,132	$50,260,299	$50,456,413	$52,619,708	$54,544,518	$55,370,326	$57,239,008
CONSTRUCTION WORK IN PROGRESS	$240,672	$138,888	$181,518	$32,636	$77,234	$533,426	$68,873	$167,582	$261,701	$158,382
ANNUAL GAS RECEIVED & DELIVERED(THERMS)										
GAS PRODUCED	0	0	0	0	0	0	0	0	0	0
GAS PURCHASED	194,070,632	227,700,826	204,914,216	180,939,351	177,755,057	174,197,373	175,557,272	189,357,670	149,055,707	115,803,817
GAS TRANSPORTED OR COMPRESSED FOR OTHERS	0	0	0	0	0	0	0	0	0	56,838,547
GAS RECEIVED FROM STORAGE	20,547,042	9,312,599	0	0	0	29,644,402	6,000,576	304,693	0	0
TOTAL GAS RECEIVED	214,617,674	237,013,425	204,914,216	180,939,351	177,755,057	203,841,775	181,557,848	189,662,363	149,055,707	172,642,364
GAS SOLD	211,542,262	239,265,722	205,960,453	180,519,138	178,306,714	161,931,709	180,895,706	190,378,353	140,014,179	117,732,259
GAS TRANSPORTED OR COMPRESSED FOR OTHERS	0	0	0	0	0	0	0	0	0	56,838,547
GAS USED BY COMPANY	0	0	0	0	0	0	0	0	0	0
GAS DELIVERED TO STORAGE	0	0	0	0	0	39,496,086	0	3,545,650	4,159,031	0
GAS UNACCOUNTED FOR	3,075,412	(2,252,297)	(1,046,237)	420,213	(551,657)	2,413,980	662,142	(4,261,640)	4,882,497	(1,928,442)
TOTAL GAS DELIVERED	214,617,674	237,013,425	204,914,216	180,939,351	177,755,057	203,841,775	181,557,848	189,662,363	149,055,707	172,642,364
UNACCOUNTED FOR TO TOTAL PRODUCED & PURCHASED	1.43	(0.95)	(0.51)	0.23	(0.31)	1.18	0.36	(2.25)	3.28	(1.12)
% DEPR/AMORT EXP TO TOTAL GAS PLANT IN SERV.	2.36	2.20	2.27	2.26	2.34	2.45	2.55	2.54	2.63	2.63
% NET GAS UTILITY OPR. INC. TO NET GAS PLANT	8.04	10.16	6.71	6.98	9.53	12.94	14.51	13.42	10.96	14.00
TRANS. & DISTRN. MAINS - FEET (END OF YEAR)	8,168,141	8,341,422	8,430,283	8,511,829	8,546,124	8,637,324	8,735,727	8,868,476	9,136,128	9,306,719
NO.OF METERS IN SERV.& HELD IN RESERVE (AVE.)	58,466	59,846	60,977	61,601	62,126	62,118	64,410	65,642	66,823	67,621
NUMBER OF CUSTOMERS - AVERAGE	56,459	57,156	58,526	58,137	58,207	58,098	59,074	59,966	61,815	63,671
AVERAGE B.T.U. CONTENT PER CU. FT.	1,060	1,050	1,051	1,052	1,056	1,047	1,043	1,043	1,016	1,030

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WASHINGTON WATER POWER COMPANY ** TOTAL COMPANY OPERATIONS **
SALES STATISTICS FOR GAS OPERATIONS

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
GAS SERVICE REVENUES										
RESIDENTIAL SALES	$23,956,430	$27,046,027	$31,123,682	$31,191,145	$38,927,430	$34,781,657	$38,375,063	$39,288,754	$29,389,330	$25,737,311
COMMERCIAL SALES	18,297,712	21,927,023	26,666,165	27,680,769	36,274,868	33,058,539	35,438,863	35,712,502	26,182,539	22,262,113
INDUSTRIAL SALES	42,487,242	57,276,327	72,441,311	62,084,107	59,199,259	51,995,289	55,509,890	51,194,683	23,982,515	12,123,190
SALES FOR RESALE	0	12,213,553	2,351,385	0	483,703	0	0	0	0	0
TOTAL GAS SERVICE REVENUES	$84,741,384	$118,462,930	$132,582,543	$120,956,021	$134,885,260	$119,835,485	$129,323,816	$126,195,939	$79,554,384	$60,122,614
THERMS OF GAS SOLD										
RESIDENTIAL SALES	76,267,725	77,181,471	67,655,410	60,877,323	65,228,586	57,064,240	65,488,162	70,302,830	58,334,976	58,582,174
COMMERCIAL SALES	67,382,160	71,074,049	64,355,264	60,037,540	66,792,014	60,191,840	66,714,945	70,373,317	58,576,250	58,223,768
INDUSTRIAL SALES	194,259,839	223,980,758	197,457,741	157,284,641	124,082,098	110,046,962	122,204,219	123,977,233	68,040,269	36,615,908
SALES FOR RESALE	0	39,420,611	6,907,143	0	932,428	0	0	0	0	0
TOTAL THERMS OF GAS SOLD	337,909,724	411,656,889	336,375,558	278,199,504	257,035,126	227,303,042	254,407,326	264,653,380	184,951,495	153,421,850
AVERAGE NUMBER OF GAS CUSTOMERS PER MONTH										
RESIDENTIAL SALES	64,134	64,601	65,963	65,503	65,502	65,180	66,210	67,121	69,145	71,432
COMMERCIAL SALES	8,540	8,964	9,488	9,611	9,746	9,958	10,315	10,702	11,157	11,603
INDUSTRIAL SALES	299	303	301	294	291	282	263	266	264	256
SALES FOR RESALE	0	0	0	0	1	0	0	0	0	0
TOTAL GAS CUSTOMERS	72,973	73,868	75,752	75,408	75,540	75,420	76,788	78,089	80,566	83,291
AVE. GAS SERVICE REVENUE/THERM SOLD (CENTS)										
RESIDENTIAL SALES	31.41	35.04	46.00	51.24	59.68	60.95	58.60	55.89	50.38	43.93
COMMERCIAL SALES	27.16	30.85	41.44	46.11	54.31	54.92	53.12	50.75	44.70	38.24
INDUSTRIAL SALES	21.87	25.57	36.69	39.47	47.71	47.25	45.42	41.29	35.25	33.11
SALES FOR RESALE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	25.08	28.78	39.42	43.48	52.48	52.72	50.83	47.68	43.01	39.19
AVERAGE GAS SERVICE REVENUE PER CUSTOMER										
RESIDENTIAL SALES	$374	$419	$472	$476	$594	$534	$580	$585	$425	$360
COMMERCIAL SALES	2,143	2,446	2,811	2,880	3,722	3,320	3,436	3,337	2,347	1,919
INDUSTRIAL SALES	142,098	189,031	240,669	211,170	203,434	184,380	211,064	192,461	90,843	47,356
SALES FOR RESALE	0	0	0	0	0	0	0	0	0	0
TOTAL	1,161	1,604	1,750	1,604	1,786	1,589	1,684	1,616	987	722
AVERAGE THERMS OF GAS SOLD PER CUSTOMER										
RESIDENTIAL SALES	1,189	1,195	1,026	929	996	875	989	1,047	844	820
COMMERCIAL SALES	7,890	7,929	6,783	6,247	6,853	6,045	6,468	6,576	5,250	5,018
INDUSTRIAL SALES	649,698	739,210	656,006	534,982	426,399	390,237	464,655	466,080	257,728	143,031
SALES FOR RESALE	0	0	0	0	0	0	0	0	0	0
TOTAL	4,631	5,573	4,440	3,689	3,403	3,014	3,313	3,389	2,296	1,842

NOTE: One therm is equal to 100,000 B.T.U.

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WASHINGTON WATER POWER COMPANY ** WASHINGTON OPERATIONS ONLY **
SALES STATISTICS FOR GAS OPERATIONS

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
GAS SERVICE REVENUES										
RESIDENTIAL SALES	$19,564,611	$22,038,745	$25,211,028	$25,272,576	$31,419,974	$28,017,703	$31,041,467	$31,563,022	$23,468,048	$20,363,186
COMMERCIAL SALES	13,663,853	16,257,554	19,699,090	20,380,537	26,872,016	24,567,521	27,383,967	27,414,176	19,891,356	16,888,338
INDUSTRIAL SALES	23,022,941	33,672,033	39,208,960	35,762,616	37,682,097	34,742,637	36,307,529	34,210,793	17,135,695	8,291,804
SALES FOR RESALE	0	0	0	0	323,936	0	0	0	0	0
TOTAL GAS SERVICE REVENUES	$56,251,405	$71,968,332	$84,119,078	$81,415,729	$96,298,023	$87,327,861	$94,732,963	$93,187,991	$60,495,099	$45,543,328
THERMS OF GAS SOLD										
RESIDENTIAL SALES	61,870,991	62,530,292	54,924,581	49,344,362	52,792,743	46,221,050	53,204,140	56,949,661	47,158,474	47,069,210
COMMERCIAL SALES	49,544,523	51,843,130	47,350,206	43,837,642	49,244,117	44,583,890	51,498,154	54,262,174	44,901,011	44,684,341
INDUSTRIAL SALES	100,126,748	124,892,495	103,685,666	87,337,134	76,269,854	71,126,769	76,193,412	79,166,518	47,954,694	25,978,708
SALES FOR RESALE	0	0	0	0	624,447	0	0	0	0	0
TOTAL THERMS OF GAS SOLD	211,542,262	239,265,917	205,960,453	180,519,138	178,931,161	161,931,709	180,895,706	190,378,353	140,014,179	117,732,259
AVERAGE NUMBER OF GAS CUSTOMERS PER MONTH										
RESIDENTIAL SALES	50,249	50,656	51,674	51,221	51,175	50,925	51,656	52,317	53,872	55,402
COMMERCIAL SALES	5,975	6,260	6,617	6,690	6,815	6,964	7,222	7,451	7,746	8,079
INDUSTRIAL SALES	235	240	235	226	216	209	196	198	197	190
SALES FOR RESALE	0	0	0	0	1	0	0	0	0	0
TOTAL GAS CUSTOMERS	56,459	57,156	58,526	58,137	58,207	58,098	59,074	59,966	61,815	63,671
AVE. GAS SERVICE REVENUE/THERM SOLD (CENTS)										
RESIDENTIAL SALES	31.62	35.24	45.90	51.22	59.52	60.62	58.34	55.42	49.76	43.26
COMMERCIAL SALES	27.58	31.36	41.60	46.49	54.57	55.10	53.17	50.52	44.30	37.79
INDUSTRIAL SALES	22.99	26.96	37.82	40.95	49.41	48.85	47.65	43.21	35.73	31.92
SALES FOR RESALE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	26.59	30.08	40.84	45.10	53.82	53.93	52.37	48.95	43.21	38.68
AVERAGE GAS SERVICE REVENUE PER CUSTOMER										
RESIDENTIAL SALES	$389	$435	$488	$493	$614	$550	$601	$603	$436	$368
COMMERCIAL SALES	2,287	2,597	2,977	3,046	3,943	3,528	3,792	3,679	2,568	2,090
INDUSTRIAL SALES	97,970	140,300	166,847	158,242	174,454	166,233	185,242	172,782	86,983	43,641
SALES FOR RESALE	0	0	0	0	0	0	0	0	0	0
TOTAL	996	1,259	1,437	1,400	1,654	1,503	1,604	1,554	979	715
AVERAGE THERMS OF GAS SOLD PER CUSTOMER										
RESIDENTIAL SALES	1,231	1,234	1,063	963	1,032	908	1,030	1,089	875	850
COMMERCIAL SALES	8,292	8,282	7,156	6,553	7,226	6,402	7,131	7,283	5,797	5,531
INDUSTRIAL SALES	426,071	520,385	441,216	386,447	353,101	340,319	388,742	399,831	243,425	136,730
SALES FOR RESALE	0	0	0	0	0	0	0	0	0	0
TOTAL	3,747	4,186	3,519	3,105	3,074	2,787	3,062	3,175	2,265	1,849

NOTE: One therm is equal to 100,000 B.T

TOTALC: 1
JULY 26TH, 1988

TOTAL MAJOR GAS UTILITIES -- TOTAL COMPANY OPERATIONS
BALANCE SHEET -- ASSETS AND OTHER DEBITS

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
UTILITY PLANT										
UTILITY PLANT	$1,206,603,075	$1,291,637,260	$1,381,230,441	$1,475,959,021	$1,557,052,912	$1,711,698,942	$1,985,273,172	$2,113,566,383	$2,324,506,272	$2,438,088,166
CONSTRUCTION WORK IN PROGRESS	62,350,264	81,169,419	127,485,753	225,276,231	394,918,207	396,636,330	264,567,536	290,759,029	26,533,597	23,425,809
TOTAL UTILITY PLANT	1,268,953,339	1,372,806,679	1,508,716,194	1,701,235,252	1,951,971,119	2,108,335,272	2,249,840,708	2,404,325,412	2,351,039,869	2,461,513,975
LESS ACCUM. PROV. FOR DEPR.AMORT. & DEPL.	247,895,919	270,580,321	298,459,854	326,731,649	359,819,910	387,913,858	432,950,744	475,706,302	522,247,705	579,995,157
NET UTILITY PLANT	1,021,057,420	1,102,226,358	1,210,256,340	1,374,503,603	1,592,151,209	1,720,421,414	1,816,889,964	1,928,619,110	1,828,792,164	1,881,518,818
GAS STORED UNDERGROUND - NONCURRENT	2,741,291	3,847,849	4,218,770	4,312,973	4,370,786	4,866,791	4,866,791	4,866,895	4,866,895	7,709,412
UTILITY PLANT ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0
OTHER PROPERTY AND INVESTMENTS										
NONUTIL. PROP.(LESS ACCUM. DEPR.& AMORT.)	78,142	1,626,044	4,313,776	3,825,970	4,299,473	4,673,885	4,411,847	4,121,201	6,585,355	6,311,343
INVESTMENT IN ASSOCIATED COMPANIES	0	0	0	0	0	0	0	0	0	0
INVESTMENT IN SUBSIDIARY COMPANIES	24,409,752	26,789,637	31,083,501	35,383,023	38,301,287	42,219,563	45,442,554	59,128,091	64,796,943	81,562,661
OTHER INVESTMENTS	581,304	1,029,315	3,339,155	10,279,833	15,247,896	17,059,609	12,140,503	11,530,620	135,556,697	134,167,326
SPECIAL FUNDS	10,500	325,000	5,000	0	33,300	2,755	2,755	0	0	0
TOTAL OTHER PROPERTY AND INVESTMENTS	25,079,698	29,769,996	38,741,432	49,488,826	57,881,956	63,955,812	61,997,659	74,779,912	206,938,995	222,041,330
CURRENT AND ACCRUED ASSETS										
CASH	5,462,589	8,489,702	8,263,708	5,774,748	3,687,181	2,923,475	8,902,746	11,991,641	5,062,600	5,858,716
SPECIAL DEPOSITS	1,127	2,403,897	3,627	3,497	997	997	992	5,992	5,457	2,061,457
WORKING FUNDS	185,573	204,872	209,693	375,399	363,767	344,301	374,607	388,265	379,993	351,811
TEMPORARY CASH INVESTMENTS	0	0	0	2,200,612	9,785,189	8,535,768	6,035,016	9,291,357	21,500,000	1,750,000
NOTES & ACCTS. REC.(LESS PROV. FOR UNCOLL. AC	88,193,168	117,327,669	114,817,002	131,000,867	148,013,555	154,342,803	162,297,343	181,955,323	145,128,613	165,186,183
RECEIVABLES FROM ASSOC. COMPANIES	10,987,562	11,347,182	20,772,085	12,320,332	10,965,187	5,251,434	6,608,189	6,780,261	10,432,307	11,824,650
MATERIALS AND SUPPLIES	13,139,779	16,895,135	20,658,562	19,745,087	22,284,857	22,711,661	21,512,237	19,128,372	31,607,113	26,710,161
GAS STORED UNDERGROUND - CURRENT	212,633	189,237	189,479	189,479	0	7,261,661	4,233,059	5,017,538	5,855,777	11,196,561
LIQUEFIED NATURAL GAS STORED	4,501,993	5,717,998	7,585,188	8,661,616	9,714,127	9,768,446	8,368,167	8,284,152	6,384,185	5,425,661
PREPAYMENTS	1,254,632	1,018,708	2,221,317	1,254,706	3,101,346	3,959,562	4,556,238	6,432,976	9,682,573	8,461,456
ADVANCES FOR GAS EXPLORATION, DEV. & PRODN.	0	0	0	0	0	0	0	0	0	0
OTHER ADVANCES FOR GAS	0	0	0	0	0	0	0	0	0	0
INTEREST AND DIVIDENDS RECEIVABLE	7,527	7,231	7,316	97,951	1,168,554	31,623	580,989	332,930	295,545	292,012
RENTS RECEIVABLE	35,116	138,401	(149)	3,334	7,681	101,152	117,041	87,150	114,691	336,225
ACCRUED UTILITY REVENUES	3,736,077	3,427,942	3,610,446	4,805,041	4,771,951	5,898,501	5,504,837	5,454,729	22,004,455	48,226,295
MISC. CURRENT AND ACCRUED ASSETS	37,794	56,880	76,437	85,683	133,606	120,728	11,989	349,474	(140,713)	754,595
TOTAL CURRENT AND ACCRUED ASSETS	127,755,570	167,224,854	178,414,711	186,518,352	213,997,998	221,252,112	229,103,450	255,500,160	258,312,596	288,435,783
DEFERRED DEBITS										
UNAMORTIZED DEBT EXPENSE	4,734,950	4,359,203	4,016,888	5,907,563	6,473,141	7,885,963	8,590,044	8,575,119	22,136,831	22,745,622
EXTRAORDINARY PROPERTY LOSSES *	1,067,835	598,325	128,816	6,537	0	0	0	28,532,564	17,186,918	17,713,824
PRELIM. SURVEY & INVESTIGATION CHARGES	779,110	3,052,408	7,159,655	7,012,025	9,784,740	10,496,180	11,019,748	11,118,834	11,113,233	11,315,572
CLEARING ACCOUNTS	479,000	313,737	486,916	57,674	72,892	210,696	253,319	151,466	758,803	836,116
TEMPORARY FACILITIES	0	0	22,038	0	0	0	0	0	0	0
MISCELLANEOUS DEFERRED DEBITS	8,563,432	11,528,817	14,378,436	18,536,078	28,504,452	83,634,569	73,200,725	47,000,822	52,091,662	40,090,152
DEFERRED LOSSES FROM DISP. OF UTILITY PLANT	0	0	0	0	0	0	0	0	0	0
RESEARCH, DEVELOPMENT & DEMO. EXPENDITURES	241	25,776	0	4,540	13,595	19,500	0	0	4,779	5,479
UNAMORTIZED LOSS ON REACQUIRED DEBT	0	0	0	0	0	75,844	73,105	70,577	2,771,493	2,874,455
ACCUMULATED DEFERRED INCOME TAXES	2,008,833	2,322,706	2,225,211	2,061,527	1,906,839	1,760,354	1,300,295	1,118,810	3,972,259	26,394,530
UNRECOVERED PURCHASED GAS COSTS	10,453,000	10,587,642	9,196,765	13,449,423	13,670,840	16,349,303	16,185,201	12,863,849	(3,496,166)	(6,515,293)
TOTAL DEFERRED DEBITS	28,086,401	32,788,614	37,614,725	47,035,367	60,426,499	120,432,409	110,622,437	109,432,041	106,539,812	115,460,457
TOTAL ASSETS AND OTHER DEBITS	$1,204,720,380	$1,335,857,671	$1,469,245,978	$1,661,859,121	$1,928,828,448	$2,130,928,538	$2,223,480,301	$2,373,198,118	$2,405,450,462	$2,515,165,800

*INCLUDES ACCOUNT 182.2-UNRECOVERED PLANT AMDY COSTS

TOTALC: 2
JULY 26TH, 1988

TOTAL MAJOR GAS UTILITIES ** TOTAL COMPANY OPERATIONS **
BALANCE SHEET -- LIABILITIES AND OTHER CREDITS

PROPRIETARY CAPITAL	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
COMMON STOCK ISSUED	$199,743,585	$208,336,973	$242,905,516	$290,668,933	$369,500,201	$416,632,782	$435,783,328	$454,310,660	$468,688,123	$474,273,592
PREFERRED STOCK ISSUED	75,392,412	72,176,305	115,595,115	138,724,057	161,838,012	159,876,481	209,696,131	247,257,266	233,261,211	234,897,032
CAPITAL STOCK SUBSCRIBED	0	0	0	0	0	0	0	0	0	0
STOCK LIABILITY FOR CONVERSION	0	0	0	0	0	0	0	0	0	0
PREMIUM ON CAPITAL STOCK	54,495,186	69,936,392	76,501,549	85,797,565	89,817,770	93,800,837	103,597,783	116,259,455	124,550,788	140,778,945
OTHER PAID-IN CAPITAL	1,907,509	2,044,422	2,197,648	2,436,692	2,657,978	2,862,216	2,989,187	3,141,264	2,774,933	2,826,109
INSTALLMENTS RECEIVED ON CAPITAL STOCK	27,696	(35,677)	66,047	83,483	27,082	42,249	21,017	39,771	20,484	7,760
DISCOUNT ON CAPITAL STOCK	0	0	0	0	0	0	0	0	0	0
CAPITAL STOCK EXPENSE	(1,522,710)	(1,516,892)	(2,029,421)	(3,031,141)	(3,622,725)	(3,772,313)	(4,304,132)	(5,324,764)	(8,252,324)	(8,725,094)
RETAINED EARNINGS	118,918,267	132,096,993	134,351,908	151,634,759	164,081,294	174,138,013	186,281,158	208,969,292	168,537,624	169,872,521
UNAPP. UNDISTRIBUTED SUBSIDIARY EARNINGS	7,874,507	9,575,978	12,759,858	16,085,555	18,911,022	20,882,950	19,481,026	25,428,495	26,648,606	29,984,365
REACQUIRED CAPITAL STOCK	0	0	0	0	(8,636)	0	0	0	0	0
TOTAL PROPRIETARY CAPITAL	456,836,452	492,614,494	582,348,220	682,399,903	803,201,998	864,463,215	953,545,698	1,050,081,439	1,016,229,445	1,043,915,230
LONG TERM DEBT										
BONDS	500,663,500	506,645,850	502,743,090	558,209,282	593,351,370	655,735,984	693,658,426	756,670,980	832,796,044	826,315,536
ADVANCES FROM ASSOCIATED COMPANIES	0	0	0	0	0	0	0	0	0	0
OTHER LONG-TERM DEBT	46,943,000	106,515,000	117,734,420	124,231,111	222,655,394	261,786,121	176,800,688	97,456,356	128,076,737	158,538,862
UNAMORTIZED PREMIUM ON LONG-TERM DEBT	804,690	754,008	704,886	655,727	609,521	575,456	541,227	506,923	473,778	440,579
UNAMORTIZED DISCOUNT ON LONG-TERM DEBT	0	0	0	0	0	(428,387)	(620,197)	(583,257)	(150,582)	(82,130)
TOTAL LONG-TERM DEBT	548,411,190	613,914,858	621,182,396	683,096,120	816,616,285	917,669,174	870,380,144	854,051,002	961,195,977	985,212,847
OTHER NONCURRENT LIABILITIES										
OBLIGATIONS UNDER CAPITAL LEASES--NONCURRENT	0	0	0	0	0	0	1,043,759	683,456	679,213	587,614
ACCUMULATED OPERATING RESERVES	4,431,951	5,231,487	5,042,470	4,703,667	4,138,104	8,050,431	6,701,356	5,901,302	4,518,845	4,521,395
ACCUMULATED PROVISIONS FOR RATE REFUNDS	0	0	0	0	0	0	0	0	0	0
TOTAL OTHER NONCURRENT LIABILITIES	4,431,951	5,231,487	5,042,470	4,703,667	4,138,104	8,050,431	7,745,115	6,584,758	5,198,058	5,109,009
CURRENT AND ACCRUED LIABILITIES										
NOTES PAYABLE	35,000,000	34,700,000	53,000,000	55,525,000	25,700,000	16,000,000	34,000,000	58,000,000	47,650,000	54,665,000
ACCOUNTS PAYABLE	69,959,108	96,258,362	91,549,196	105,728,681	104,039,904	123,683,753	118,160,286	113,921,492	74,572,796	88,777,011
PAYABLES TO ASSOCIATED COMPANIES	1,962,208	440,601	11,914,736	2,728,394	2,605,554	2,306,751	6,558,171	10,040,732	349,415	12,149,367
CUSTOMER DEPOSITS	2,242,449	2,523,630	2,892,759	2,536,805	2,836,031	3,146,682	3,526,310	4,202,665	4,600,196	4,300,089
TAXES ACCRUED	28,787,356	21,335,756	13,381,492	17,789,419	19,790,596	11,325,842	22,709,823	28,042,319	27,956,716	32,959,613
INTEREST ACCRUED	9,555,697	10,302,192	12,117,767	13,082,031	25,493,132	30,501,412	31,844,421	31,221,826	28,925,907	27,594,393
DIVIDENDS DECLARED	754,623	712,365	795,180	1,018,244	1,028,230	1,049,082	1,136,873	1,289,941	1,298,826	1,406,906
MATURED LONG TERM DEBT	0	0	0	0	0	0	0	0	0	0
MATURED INTEREST	0	0	0	0	0	0	0	0	0	0
TAX COLLECTIONS PAYABLE	400,006	344,378	376,077	318,101	168,858	261,849	291,093	693,867	686,725	1,052,026
MISC. CURRENT & ACCRUED LIABILITIES	3,354,483	3,959,526	4,244,737	4,756,085	4,504,153	5,802,393	6,917,837	7,509,558	8,307,328	10,300,110
OBLIGATIONS UNDER CAPITAL LEASES--CURRENT	0	0	0	0	0	0	606,330	482,571	344,880	192,369
TOTAL CURRENT AND ACCRUED LIABILITIES	152,015,930	170,576,810	190,271,944	203,482,760	186,166,458	194,077,764	225,751,144	255,404,971	194,692,789	233,396,884
DEFERRED CREDITS										
CUSTOMER ADVANCES FOR CONSTRUCTION	661,204	607,861	3,287,205	3,303,844	3,499,781	3,702,616	3,706,208	1,266,829	1,447,550	1,420,475
ACCUMULATED DEFERRED INVESTMENT TAX CREDITS	23,320,649	32,754,766	42,665,073	55,493,498	75,837,039	75,313,322	84,668,105	101,233,668	106,991,723	81,943,424
DEFERRED GAINS FROM DISP.OF UTILITY PLANT	0	0	0	276,203	276,203	522,462	276,203	276,203	276,203	276,203
OTHER DEFERRED CREDITS	3,418,450	2,863,694	5,126,816	3,507,421	4,615,726	7,279,002	5,136,259	11,203,440	16,579,962	19,505,241
UNAMORTIZED GAIN ON REACQUIRED DEBT	0	0	0	0	0	0	0	0	0	0
ACCUMULATED DEFERRED INCOME TAXES	15,624,554	17,293,701	19,321,854	25,595,705	34,476,854	59,850,552	72,271,625	93,095,810	102,838,755	144,386,487
TOTAL DEFERRED CREDITS	43,024,857	53,520,022	70,400,948	88,176,671	118,705,603	146,667,954	166,058,400	207,075,950	228,134,193	247,531,830
TOTAL LIABILITIES AND OTHER CREDITS	1,204,720,380	1,335,857,671	1,469,245,978	1,661,859,121	1,928,828,448	2,130,928,538	2,223,480,301	2,373,198,120	2,405,450,462	2,515,165,800

TOTALC: 3
JULY 26TH, 1988

TOTAL MAJOR GAS UTILITIES ** TOTAL COMPANY OPERATIONS **
STATEMENT OF INCOME

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
UTILITY OPERATING INCOME										
OPERATING REVENUES	$756,719,590	$948,012,944	$1,094,347,786	$1,182,796,961	$1,263,665,324	$1,210,713,049	$1,433,584,367	$1,480,768,875	$1,165,612,456	$1,135,968,868
OPERATING EXPENSES:										
OPERATION EXPENSES	556,023,646	728,385,308	869,942,526	912,155,810	951,267,443	900,685,891	1,027,054,604	1,021,942,777	738,597,473	706,715,417
MAINTENANCE EXPENSES	13,407,989	15,942,421	18,824,343	18,768,343	20,456,231	19,458,945	25,638,730	26,433,003	26,359,742	27,813,389
DEPRECIATION EXPENSE	30,346,770	32,462,806	34,878,252	38,091,298	41,739,038	45,624,558	55,387,335	61,513,006	68,441,157	74,154,965
AMORT. & DEPL. OF UTILITY PLANT	4,197	4,197	4,197	4,197	4,197	4,197	4,197	4,197	13,822	1,017,012
AMORT. OF UTILITY PLANT ACQ. ADJ.	462,972	462,972	462,972	115,741	0	0	0	0	0	0
AMORT. OF PROPERTY LOSSES	331,832	6,537	6,537	6,537	6,537	0	0	2,258,119	3,039,996	3,122,436
AMORT. OF CONVERSION EXPENSES	0	0	0	0	0	0	0	0	0	0
TAXES OTHER THAN INCOME TAXES	49,718,251	55,771,383	61,583,013	67,382,667	77,862,372	82,118,901	97,456,414	101,299,192	92,454,197	90,556,515
INCOME TAXES - FEDERAL	12,393,658	10,309,200	3,145,358	6,120,189	6,847,928	(4,288,894)	26,750,951	35,279,905	27,190,325	44,065,598
- OTHER	1,644,812	2,000,374	1,290,730	1,821,986	1,164,639	1,377,884	3,616,054	3,475,114	2,352,617	2,072,328
PROVISION FOR DEFERRED INCOME TAXES	6,027,190	5,533,935	6,517,255	8,426,326	8,982,277	25,589,952	14,969,747	22,743,972	24,381,763	17,016,834
PROVISION FOR DEFERRED INCOME TAXES - CR.	(2,392,294)	(3,874,547)	(4,391,607)	(2,084,327)	0	0	(58,903)	(795,110)	936,622	1,808,445
INVESTMENT TAX CREDIT ADJ. - NET	6,476,677	9,663,449	10,231,616	13,268,137	16,466,092	(362,934)	9,523,669	17,532,545	5,980,931	(3,354,961)
GAINS FROM DISP. OF UTILITY PLANT	0	0	0	0	0	0	0	0	0	0
LOSSES FROM DISP. OF UTILITY PLANT	0	0	0	0	0	0	0	0	0	0
TOTAL UTILITY OPERATING EXPENSES	674,445,700	856,668,035	1,002,495,192	1,064,076,904	1,124,796,754	1,070,208,500	1,260,342,798	1,291,686,720	989,748,645	964,987,978
NET UTILITY OPERATING INCOME	$82,273,890	$91,344,909	$91,852,594	$118,720,057	$138,868,570	$140,504,549	$173,241,569	$189,082,155	$175,863,811	$170,980,890
OTHER INCOME AND DEDUCTIONS										
OTHER INCOME:										
NONUTILITY OPERATING INCOME	$918,744	$1,676,940	$3,041,056	$5,320,232	$4,622,249	$2,846,699	$3,317,672	$5,122,343	$4,602,983	$6,240,739
EQUITY IN EARNINGS OF SUBSIDIARY COMPANIES	3,232,899	3,336,585	5,606,872	6,724,836	6,432,215	6,807,028	2,810,686	5,268,453	1,569,189	3,335,760
INTEREST & DIVIDEND INCOME	558,209	1,003,329	1,329,618	9,852,983	10,513,654	4,322,916	4,334,582	3,296,545	4,203,008	3,431,290
ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION	1,803,597	1,713,128	2,351,800	6,262,951	10,369,339	20,111,351	18,051,748	20,295,729	13,195,517	763,845
MISCELLANEOUS NONOPERATING INCOME	1,607,992	405,518	895,244	1,418,296	1,344,602	721,308	543,246	443,349	500,413	121,045
GAIN ON DISPOSITION OF PROPERTY	376,563	1,109,068	15,251	586,168	88,748	734,944	263,007	107,422	70,612	332,316
TOTAL OTHER INCOME	8,498,004	9,244,568	13,239,841	30,165,466	33,370,807	35,544,246	29,320,941	34,533,841	24,141,722	14,224,995
OTHER INCOME DEDUCTIONS:										
LOSS ON DISPOSITION OF PROPERTY	5,538	131,210	47,425	34,306	317,583	1,241,285	95,057	64,762	1,390,673	81,404
MISCELLANEOUS AMORTIZATION	31,704	0	0	0	0	0	31,082	440,460	39,600	51,013
MISCELLANEOUS INCOME DEDUCTIONS	1,104,100	988,672	1,012,054	1,136,013	916,973	1,030,033	9,785,619	2,532,474	4,196,901	283,246
TOTAL OTHER INCOME DEDUCTIONS	1,141,342	1,119,882	1,059,479	1,170,319	1,234,556	2,271,318	9,911,758	3,037,696	5,627,174	415,663
TAXES APPLICABLE TO OTHER INCOME & DEDUCTIONS										
TAXES OTHER THAN INCOME TAXES	41,260	67,711	113,976	115,514	135,672	119,896	125,810	181,966	214,102	271,537
INCOME TAXES - FEDERAL	738,634	954,611	1,268,666	5,578,871	8,088,609	1,752,840	1,443,535	2,209,459	185,132	2,505,221
- OTHER	(13,426)	(37,368)	(29,029)	167,244	168,192	48,338	(58,547)	(68,142)	(201,696)	(19,902)
PROVISION FOR DEFERRED INCOME TAXES	0	0	0	95,535	53,560	106,125	60,365	70,273	6,918,608	845,050
PROVISION FOR DEFERRED INCOME TAXES - CR.	0	0	0	0	0	0	(2,442,843)	(18,114)	(3,558,124)	(275,779)
INVESTMENT TAX CREDIT ADJ. - NET	0	0	0	31,377	(1,031)	348	(2,310)	(250)	0	0
INVESTMENT TAX CREDITS	0	0	0	0	0	0	0	(25,145)	(24,789)	(21,700,000)
TOTAL TAXES ON OTHER INCOME & DEDUCTIONS	766,468	984,954	1,353,613	5,988,541	8,445,002	2,027,547	(873,990)	2,350,047	3,533,233	(18,373,873)
NET OTHER INCOME & DEDUCTIONS	$6,590,194	$7,139,732	$10,826,749	$23,006,606	$23,691,249	$31,245,381	$20,283,173	$29,146,098	$14,981,315	$32,183,205

TOTALC: 4
JULY 26TH, 1988

TOTAL MAJOR GAS UTILITIES ** TOTAL COMPANY OPERATIONS **
STATEMENT OF INCOME (CONTINUED)

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
INTEREST CHARGES										
INTEREST ON LONG-TERM DEBT	$40,682,364	$44,186,501	$49,072,593	$60,254,749	$75,982,643	$88,396,358	$91,897,630	$89,698,098	$90,564,116	$88,404,870
AMORT. OF DEBT DISC. AND EXPENSE	544,452	523,085	507,589	781,690	1,133,562	1,140,067	952,114	1,301,007	1,358,636	1,702,752
AMORT. OF LOSS IN REACQUIRED DEBT	0	0	0	0	0	0	2,739	2,528	10,544	103,214
AMORT. OF PREMIUM ON DEBT-CREDIT	(50,471)	(50,682)	(49,122)	(49,159)	(46,206)	(34,065)	(34,229)	(34,304)	(33,145)	(33,199)
AMORT. OF GAIN ON REACQUIRED DEBT-CREDIT	0	0	0	0	0	0	0	0	(9,062)	0
INTEREST ON DEBT TO ASSOC. COMPANIES	27,652	186,484	830,155	1,123,242	1,049,752	331,062	398,516	168,418	167,213	190,064
OTHER INTEREST EXPENSE	(774,307)	(730,162)	(1,493,888)	305,106	(7,916,381)	3,700,733	2,272,854	3,519,923	3,242,879	5,756,355
ALLOW. FOR BORROWED FUNDS USED DURING CONSTN.	(51,079)	(117,185)	(367,278)	0	0	(19,801,846)	(12,130,429)	(13,111,307)	(7,949,018)	(783,324)
NET INTEREST CHARGES	40,378,611	43,998,041	48,500,049	62,415,628	70,203,370	73,732,309	83,359,195	81,544,363	87,352,163	95,340,732
INCOME BEFORE EXTRAORDINARY ITEMS	48,485,473	54,486,600	54,179,294	79,311,035	92,356,449	98,017,621	110,165,547	136,683,890	103,492,963	107,823,363
EXTRAORDINARY ITEMS										
NET EXTRAORDINARY ITEMS	0	0	0	0	0	0	0	0	(50,206,221)	8,367,091
LESS: INCOME TAXES - FEDERAL AND OTHER	0	0	0	0	0	0	0	0	(20,564,736)	4,171,832
EXTRAORDINARY ITEMS AFTER TAXES	0	0	0	0	0	0	0	0	(29,641,485)	4,195,259
NET INCOME	$48,485,473	$54,486,600	$54,179,294	$79,311,035	$92,356,449	$98,017,621	$110,165,547	$136,683,890	$73,851,478	$112,018,622

TOTALC: 5
JULY 26TH, 1988

TOTAL MAJOR GAS UTILITIES ** TOTAL COMPANY OPERATIONS **
STATEMENT OF UNAPPROPRIATED RETAINED EARNINGS, AND UNAPPROPRIATED
UNDISTRIBUTED SUBSIDIARY EARNINGS

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
STATEMENT OF UNAPPROPRIATED RET. EARNINGS										
BALANCE AT BEGINNING OF YEAR	$102,784,625	$116,750,010	$129,514,949	$132,311,904	$150,136,795	$163,125,466	$173,182,186	$185,325,331	$208,362,543	$170,064,349
CREDITS:										
BALANCE TRANSFERRED FROM INCOME	$45,199,381	$50,818,428	$48,572,421	$72,586,199	$85,924,234	$91,210,593	$107,354,861	$131,415,436	$72,282,288	$108,682,863
MISCELLANEOUS CREDITS	$3,133,540	$2,508,740	$2,965,032	$3,941,179	$4,148,886	$5,790,927	$4,212,610	$0	$0	$0
TOTAL CREDITS	48,332,921	53,327,168	51,537,453	76,527,378	90,073,120	97,001,520	111,567,471	131,415,436	72,282,288	108,682,863
DEBITS:										
APPROPRIATIONS OF RETAINED EARNINGS	0	0	0	0	0	0	0	0	0	592,294
DIVIDENDS DECLARED - COMMON STOCK	28,949,588	33,516,431	38,464,268	47,215,041	60,590,611	68,239,493	77,988,240	85,026,051	89,807,777	89,512,933
DIVIDENDS DECLARED - PREFERRED STOCK	4,862,415	6,035,490	9,545,090	11,483,074	16,475,748	17,736,415	21,426,971	23,011,408	23,240,735	20,294,953
MISCELLANEOUS DEBITS	555,533	54,481	731,140	4,372	18,090	13,065	9,115	689,843	14,522	22,632
TOTAL DEBITS	34,367,536	39,606,402	48,740,498	58,702,487	77,084,449	85,988,973	99,424,326	108,727,302	113,063,034	110,422,812
BALANCE AT END OF YEAR	$116,750,010	$130,470,776	$132,311,904	$150,136,795	$163,125,466	$174,138,013	$185,325,331	$208,013,465	$167,581,797	$168,324,400
UNAPPROPRIATED UNDISTRIBUTED SUBS. EARNINGS										
BALANCE AT BEGINNING OF YEAR	$7,179,915	$7,874,507	$9,575,978	$12,759,858	$16,085,555	$18,911,022	$20,882,950	$19,481,026	$25,079,417	$26,648,606
EQUITY IN EARNINGS FOR YEAR	3,286,092	3,668,171	5,606,872	6,724,836	6,432,215	6,807,028	2,810,686	5,268,453	1,569,189	3,335,759
DIVIDENDS RECEIVED	2,591,500	1,966,700	1,988,000	3,514,500	3,606,800	4,835,100	4,082,500	0	0	0
OTHER CHANGES	0	0	(434,992)	115,361	52	0	(130,110)	679,016	0	0
BALANCE AT END OF YEAR	$7,874,507	$9,575,978	$13,629,842	$15,854,833	$18,910,918	$20,882,950	$19,741,246	$24,070,463	$26,648,606	$29,984,365

TOTALC: 6
JULY 26TH, 1988

TOTAL MAJOR GAS UTILITIES ** TOTAL COMPANY OPERATIONS **
STATEMENT OF NET GAS OPERATING INCOME

STATEMENT OF NET GAS OPERATING INCOME	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
OPERATING REVENUES										
RESIDENTIAL SALES	$183,178,506	$211,263,658	$254,648,424	$259,813,851	$322,134,535	$293,270,941	$332,701,468	$359,910,216	$298,211,071	$277,553,113
COMMERCIAL SALES	140,662,844	169,459,624	216,212,073	225,583,730	281,828,129	264,048,325	297,519,425	317,031,425	247,959,648	222,858,908
INDUSTRIAL SALES	305,166,843	406,084,811	455,686,397	495,916,978	434,662,191	428,548,505	514,015,962	460,637,040	274,254,285	276,124,207
OTHER SALES	0	17,677,149	2,415,022	0	944,322	0	0	0	0	0
OTHER OPERATING REVENUES	6,183,258	5,901,630	7,507,018	4,820,981	12,132,472	8,613,091	7,026,091	12,430,594	40,882,437	30,576,452
TOTAL OPERATING REVENUES	635,191,451	810,386,872	936,468,934	986,135,540	1,051,701,649	994,480,862	1,151,262,946	1,150,009,275	861,307,441	807,112,680
OPERATING EXPENSES										
PRODUCTION:										
MANUFACTURED GAS	95,522	126,427	119,151	146,315	127,921	120,727	151,746	181,743	162,653	159,482
NATURAL GAS	459,062,649	602,018,796	718,094,334	740,438,611	777,246,144	704,528,272	807,434,244	773,807,035	520,029,384	460,870,584
UNDERGROUND STORAGE	429,273	474,990	672,178	549,425	577,379	557,590	799,532	651,546	565,208	630,476
OTHER STORAGE	297,793	558,589	674,987	685,766	673,581	833,408	803,166	756,316	782,762	795,271
TRANSMISSION	114,006	98,626	103,443	100,843	158,415	151,112	133,092	337,686	197,122	(107,361)
DISTRIBUTION	18,202,813	21,547,614	24,672,169	26,426,610	28,336,530	29,683,852	31,351,436	33,575,240	32,015,692	33,542,675
CUSTOMER ACCOUNTS	11,780,135	14,032,407	16,269,330	18,901,297	22,231,693	22,814,255	23,008,041	25,857,285	20,808,006	21,653,035
CUSTOMER SERVICE & INFORMATIONAL EXPENSES	391,173	548,947	1,611,637	1,859,266	3,044,380	5,132,065	3,837,066	4,476,081	8,078,884	9,132,613
SALES	3,800,208	5,251,493	6,305,329	6,580,009	7,244,624	7,498,109	9,131,529	10,883,266	8,405,547	7,671,195
ADMINISTRATIVE AND GENERAL	17,800,327	21,260,023	23,632,611	27,297,731	29,541,636	31,342,404	36,499,034	40,398,767	46,189,725	47,580,998
WEATHERIZATION	212,298	795,879	676,812	0	0	0	0	0	0	0
TOTAL OPERATION AND MAINT. EXPENSES	512,186,197	666,713,791	792,831,981	822,985,873	869,182,303	802,661,802	913,148,886	890,924,965	637,234,983	581,928,968
DEPRECIATION	20,916,504	22,026,484	23,819,311	26,049,173	28,641,824	31,728,700	34,085,336	37,484,780	40,299,847	44,016,588
AMORTIZATION	794,804	469,509	469,509	122,278	6,537	0	0	44,634	99,168	99,168
TAXES OTHER THAN INCOME TAXES	40,026,170	45,951,361	51,561,911	55,169,265	63,782,895	63,508,514	73,037,158	74,889,501	63,930,648	63,243,958
INCOME TAXES - FEDERAL	8,008,489	11,166,115	5,324,536	5,342,511	9,858,165	4,851,737	28,557,532	32,076,878	20,555,588	23,182,001
- OTHER	131,620	159,004	117,960	228,928	30,468	1,510,107	3,059,079	2,740,976	1,574,390	1,618,871
PROV. FOR DEFERRED INCOME TAXES	2,817,927	1,534,483	1,618,637	4,325,468	3,228,[illegible]	8,848,[illegible]	1,593,577	6,737,024	9,989,367	2,960,834
INCOME TAXES DEFERRED IN PRIOR YEARS (CR)	0	0	0	0	0	0	(58,903)	(67,557)	2,120,831	3,079,416
INVESTMENT TAX CREDIT ADJ. - NET	2,912,742	4,892,832	5,232,700	5,536,003	4,343,962	[illegible],804	4,123,984	4,756,882	(1,072,806)	(1,776,338)
GAINS OR LOSSES FROM DISPOSITION OF UTILITY	0	0	0	0	0	0	0	0	0	0
TOTAL OPERATING EXPENSES	587,794,453	752,913,579	880,976,545	919,759,499	979,089,183	917,073,[illegible]	1,057,546,649	1,049,588,083	774,732,016	718,353,466
NET GAS OPERATING INCOME	$47,396,998	$57,473,293	$55,492,389	$66,376,041	$72,612,546	$73,406,979	$93,716,297	$100,421,192	$86,575,425	$88,759,214
OPERATING GAS REVENUES BY PERCENT										
RESIDENTIAL SALES	28.84%	26.07%	27.19%	26.35%	30.63%	29.49%	28.90%	31.30%	34.62%	34.39%
COMMERCIAL SALES	22.14	20.91	23.09	22.88	26.80	26.55	25.84	27.57	28.79	27.61
INDUSTRIAL SALES	48.04	50.11	48.66	50.29	41.33	43.09	44.65	40.06	31.84	34.21
OTHER SALES	0.00	2.18	0.26	0.00	0.09	0.00	0.00	0.00	0.00	0.00
OTHER GAS REVENUES	0.97	0.73	0.80	0.49	1.15	0.87	0.61	1.08	4.75	3.79
TOTAL OPERATING GAS REVENUES	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

TOTALST: 6ST
JULY 26TH, 1988

TOTAL MAJOR GAS UTILITIES ** WASHINGTON OPERATIONS ONLY **
STATEMENT OF NET GAS OPERATING INCOME

STATEMENT OF NET GAS OPERATING INCOME	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
OPERATING REVENUES										
RESIDENTIAL SALES	$111,481,401	$128,476,433	$156,618,121	$160,942,444	$198,626,755	$177,670,985	$198,335,323	$216,257,138	$176,557,150	$160,348,180
COMMERCIAL SALES	94,964,678	112,406,825	144,285,165	149,751,081	185,360,122	170,636,743	193,533,314	204,762,072	158,857,174	141,051,204
INDUSTRIAL SALES	166,150,102	231,386,096	260,740,342	296,696,457	253,154,836	258,463,260	317,141,898	289,316,378	173,755,703	169,035,566
OTHER SALES	0	13,355,994	1,594,189	0	784,555	0	0	0	0	0
OTHER OPERATING REVENUES	3,986,782	2,929,353	3,552,621	3,771,272	5,019,144	5,782,751	6,836,298	7,572,108	22,519,211	22,884,047
TOTAL OPERATING REVENUES	376,582,963	488,554,701	566,790,438	611,161,254	642,945,412	612,553,739	715,846,833	717,907,696	531,689,238	493,318,997
OPERATING EXPENSES										
PRODUCTION:										
MANUFACTURED GAS	53,223	66,302	53,299	84,592	60,900	59,256	86,584	124,881	100,473	103,770
NATURAL GAS	271,688,152	363,387,135	434,338,815	458,021,835	477,447,360	439,293,232	504,312,038	486,988,670	330,076,619	289,584,008
UNDERGROUND STORAGE	339,249	379,187	542,779	441,408	469,161	448,487	673,518	537,662	475,587	526,798
OTHER STORAGE	0	0	0	0	0	0	0	0	0	0
TRANSMISSION	46,307	43,603	57,624	40,339	87,005	67,913	71,394	277,653	130,325	(156,410)
DISTRIBUTION	10,171,080	12,186,391	14,448,154	14,736,702	15,900,186	16,628,992	17,639,815	19,353,395	18,622,812	19,884,042
CUSTOMER ACCOUNTS	6,151,555	7,236,939	8,377,384	9,596,832	11,080,380	11,724,300	11,313,135	12,701,306	12,531,194	12,994,719
CUSTOMER SERVICE & INFORMATIONAL EXPENSES	320,394	426,312	382,522	350,130	358,070	357,558	390,862	860,514	4,921,291	6,326,585
SALES	2,836,002	4,036,295	4,905,865	5,046,092	5,433,013	5,629,037	6,849,329	8,186,704	4,344,137	3,640,921
ADMINISTRATIVE AND GENERAL	11,131,520	13,019,249	13,939,850	16,216,645	17,279,131	18,896,004	22,136,993	24,354,197	26,814,879	27,605,195
WEATHERIZATION	0	0	0	0	0	0	0	0	45,031	3,486
TOTAL OPERATION AND MAINT. EXPENSES	302,737,482	400,781,413	477,046,292	504,534,575	528,115,206	493,104,779	563,473,668	553,384,982	398,062,348	360,513,114
DEPRECIATION	11,418,302	11,985,906	12,869,164	14,148,535	15,824,404	17,080,401	18,161,378	20,292,396	22,051,000	24,222,766
AMORTIZATION	48,149	57,872	53,705	17,130	0	0	0	0	0	0
TAXES OTHER THAN INCOME TAXES	29,511,536	34,196,052	39,212,480	42,101,505	49,104,389	49,802,236	57,129,191	57,628,930	47,255,301	45,455,263
INCOME TAXES - FEDERAL	2,664,131	5,144,073	1,935,934	3,173,693	4,645,921	929,249	16,715,520	21,333,625	12,626,759	14,147,759
- OTHER	0	0	0	0	0	0	0	0	0	0
PROV. FOR DEFERRED INCOME TAXES	2,817,927	1,534,483	1,618,637	4,246,496	2,953,868	6,311,709	2,459,487	3,594,609	4,288,590	938,797
INCOME TAXES DEFERRED IN PRIOR YEARS (CR)	0	0	0	0	0	0	(47,052)	(56,059)	(149,036)	(229,715)
INVESTMENT TAX CREDIT ADJ. - NET	1,380,120	2,560,214	2,590,645	2,390,472	2,060,969	2,102,201	1,652,854	2,232,593	(838,685)	(853,509)
GAINS OR LOSSES FROM DISPOSITION OF UTILITY	0	0	0	0	0	0	0	0	0	0
TOTAL OPERATING EXPENSES	350,577,647	456,260,013	535,326,857	570,612,406	602,704,757	569,330,575	659,545,046	658,411,076	483,296,277	444,194,475
NET GAS OPERATING INCOME	$26,005,316	$32,294,688	$31,463,581	$40,548,848	$40,240,655	$43,223,164	$56,301,787	$59,496,620	$48,392,961	$49,124,522
OPERATING GAS REVENUES BY PERCENT										
RESIDENTIAL SALES	29.60%	26.30%	27.63%	26.33%	30.89%	29.00%	27.71%	30.12%	33.21%	32.50%
COMMERCIAL SALES	25.22	23.01	25.46	24.50	28.83	27.86	27.04	28.52	29.88	28.59
INDUSTRIAL SALES	44.12	47.36	46.00	48.55	39.37	42.19	44.30	40.30	32.68	34.26
OTHER SALES	0.00	2.73	0.28	0.00	0.12	0.00	0.00	0.00	0.00	0.00
OTHER GAS REVENUES	1.06	0.60	0.63	0.62	0.78	0.94	0.95	1.05	4.24	4.64
TOTAL OPERATING GAS REVENUES	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

TOTALC: 7
JULY 26TH, 1988

TOTAL MAJOR UJTILITIES ** TOTAL COMPANY OPERATIONS **
STATEMENT OF CHANGES IN FINANCIAL POSITION

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
SOURCES OF FUNDS										
NET INCOME	$49,027,513	$55,028,640	$54,721,333	$79,853,075	$92,898,587	$98,017,621	$110,165,547	$136,683,890	$106,708,002	$112,018,622
PRINCIPAL NON-CASH CHARGES(CREDITS) TO INCOME										
DEPRECIATION & DEPLETION	30,733,478	32,934,244	35,406,292	38,555,200	42,353,249	46,310,036	56,108,341	62,237,907	69,233,753	74,973,781
AMORTIZATION	1,121,249	746,480	740,477	688,501	875,222	2,060,220	2,422,439	4,176,963	3,976,002	4,760,631
PROV. FOR DEF. OR FUTURE INCOME TAXES (NET)	3,634,896	1,669,147	2,028,153	6,273,851	8,881,149	25,402,053	14,863,916	21,819,064	30,909,717	19,267,868
INVESTMENT TAX CREDIT ADJUSTMENTS	6,329,695	4,003,701	1,202,542	(2,446,649)	(2,206,432)	(40,029,990)	(20,736,342)	17,298,350	5,758,055	(25,048,299)
OTHER (NET)	(5,522,409)	(2,016,524)	(3,213,492)	(3,517,208)	(7,387,972)	1,311,609	6,995,172	(106,536,007)	(23,058,568)	(4,014,291)
TOTAL FUNDS FROM OPERATIONS	85,324,422	92,365,688	90,885,305	119,406,770	135,413,803	133,071,549	169,819,073	135,680,167	193,526,961	181,958,312
FUNDS FROM OUTSIDE SOURCES (NEW MONEY):										
LONG-TERM DEBT	1,600,000	21,025,000	7,345,260	93,892,117	136,355,000	84,434,112	60,000,000	40,476,471	190,243,943	56,765,769
PREFERRED STOCK	36,000,000	0	46,093,000	20,167,636	25,000,000	0	79,700,000	45,000,000	20,000,000	25,000,000
COMMON STOCK	25,387,403	24,074,426	40,027,551	51,529,872	82,661,420	51,270,569	25,918,962	23,536,997	20,268,412	20,297,040
NET INCREASE IN SHORT-TERM DEBT	11,700,000	1,700,000	18,300,000	2,241,718	31,500,000	20,206,370	20,500,000	(11,000,000)	24,400,000	34,415,000
OTHER (NET)	45,876,393	71,137,485	90,920,982	13,858,461	(19,519,048)	10,203,844	11,974,404	5,800,474	84,689,135	17,313,224
TOTAL FUNDS FROM OUTSIDE SOURCES	120,563,796	117,936,911	202,686,793	181,689,804	255,997,372	166,114,895	198,093,366	103,813,942	339,601,490	153,791,033
SALE OF NON-CURRENT ASSETS	943,439	1,114,671	1,603,577	0	0	10,887,186	0	0	19,600,179	38,915
CONTRIBUTIONS FROM ASSOC. & SUBS. COMPANIES	8,355,746	283,317	10,713,954	9,412,432	1,877,995	2,682,769	4,920,977	5,618,810	1,628,962	13,646,411
OTHER (NET)	12,703,722	(8,269,627)	1,466,074	20,082,939	1,771,383	31,046,076	25,910,418	31,145,150	67,490,465	6,977,166
TOTAL SOURCES OF FUNDS	$227,891,125	$203,430,960	$307,355,703	$330,591,945	$395,060,553	$343,802,475	$398,743,834	$276,258,069	$621,848,057	$356,411,837
APPLICATION OF FUNDS										
CONSTRUCTION & PLANT EXPENDITURES (INCL.LAND)										
GROSS ADD. TO UTIL. PLANT (LESS NUCLEAR FUEL)	$95,138,175	$109,767,995	$146,416,735	$202,795,946	$259,700,562	$226,643,596	$155,385,059	$185,374,724	$189,257,739	$127,884,673
GROSS ADDITIONS TO NUCLEAR FUEL	0	0	0	0	0	1,008,132	361,895	399,557	(3,703,236)	0
GROSS ADDITIONS TO COMMON UTILITY PLANT	0	0	0	0	0	0	0	0	0	0
GROSS ADDITIONS TO NONUTILITY PLANT	(55,596)	670,697	2,396	0	0	0	104,731	87,091	1,016,480	82,590
OTHER	0	0	(9,075,044)	(15,220,880)	(22,549,973)	(39,506,273)	(30,091,125)	(35,114,379)	(27,682,869)	(1,673,258)
TOTAL APPLIC. TO CONST. & PLANT EXPEND.	95,082,579	110,438,692	137,344,087	187,575,066	237,150,589	188,145,455	125,760,560	150,746,993	158,888,114	126,294,005
DIVIDENDS ON PREFERRED STOCK	4,862,415	6,035,490	9,545,090	11,483,074	16,475,748	17,736,415	21,426,971	6,362,173	23,240,735	20,294,953
DIVIDENDS ON COMMON STOCK	28,949,588	33,516,431	38,464,268	47,215,041	60,590,611	68,239,494	77,988,240	32,169,005	89,807,778	89,512,933
FUNDS FOR RETIREMENT OF SEC.& SHORT TERM DEBT										
LONG-TERM DEBT	17,032,500	11,470,650	14,521,760	36,835,684	12,554,955	22,474,386	85,652,558	42,484,473	121,655,403	71,737,604
PREFERRED STOCK	1,300,006	3,111,030	1,237,926	993,578	1,248,782	1,698,845	26,570,487	1,808,486	31,460,432	22,019,511
REDEMPTION OF CAPITAL STOCK	0	0	0	0	0	0	0	0	0	0
NET DECREASE IN SHORT-TERM DEBT	0	2,000,000	0	0	29,825,000	9,700,000	33,500,000	0	9,450,000	5,600,000
OTHER (NET)	57,000,000	15,109,764	82,283,971	105,417	122,081	122,162	194,354	159,306	79,541,191	(19,188,228)
PURCHASE OF OTHER NON-CURRENT ASSETS	423,321	1,271,901	2,577,434	4,362,239	0	(819,676)	243,746	590,036	0	0
INVEST. IN & ADVANCES TO ASSOC. & SUB. COM.	(4,347,134)	1,000,000	10,376,081	9,309,317	1,862,238	1,771,215	6,625,737	8,205,584	18,642,036	15,455,318
OTHER (NET)	27,587,850	19,477,002	11,005,086	32,712,529	35,230,549	34,734,179	20,781,181	33,732,013	89,162,368	24,685,741
TOTAL APPLICATION OF FUNDS	$227,891,125	$203,430,960	$307,355,703	$330,591,945	$395,060,553	$343,802,475	$398,743,834	$276,258,069	$621,848,057	$356,411,837

TOTALC: 8
JULY 26TH, 1988

TOTAL MAJOR GAS UTILITIES ** TOTAL COMPANY OPERATIONS **
PLANT, PRODUCTION AND SALES STATISTICS

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
GAS PLANT IN SERVICE AND HELD FOR FUTURE USE -- END OF YEAR										
INTANGIBLE PLANT	$569,427	$569,427	$569,427	$569,427	$569,427	$569,427	$569,427	$569,427	$569,427	$569,427
PRODUCTION AND STORAGE PLANT	43,810,463	47,392,640	49,103,594	52,478,116	53,797,023	54,489,907	55,544,791	47,957,679	47,958,732	48,313,879
TRANSMISSION AND DISTRIBUTION PLANT	595,666,752	656,436,787	709,017,486	762,045,995	808,788,841	855,849,832	913,591,582	972,125,752	1,045,031,282	1,122,302,462
GENERAL PLANT	46,038,286	50,126,359	54,804,737	64,101,472	68,704,470	71,333,659	77,379,101	89,402,224	99,308,145	111,400,639
TOTAL GAS PLANT IN SERVICE	686,084,928	754,525,213	813,495,244	879,195,010	931,859,761	982,242,825	1,047,084,901	1,110,055,082	1,192,867,586	1,282,586,407
PROPERTY HELD FOR FUTURE USE	0	399,306	399,306	206,838	206,838	206,838	206,838	206,838	206,838	0
LESS: ACCUM.PROV. FOR DEPR.& AMORT.- GAS	146,246,824	163,323,007	182,495,368	201,455,062	224,552,955	247,837,834	276,086,971	302,250,642	333,996,557	366,618,746
NET GAS PLANT	$539,838,104	$591,601,512	$631,399,182	$677,946,786	$707,513,644	$734,611,829	$771,204,768	$808,011,278	$859,077,867	$915,967,661
CONSTRUCTION WORK IN PROGRESS	$5,089,987	$2,628,792	$8,118,712	$2,190,105	$3,302,405	$4,399,376	$4,072,901	$6,060,663	$8,665,979	$6,324,966
ANNUAL GAS RECEIVED & DELIVERED(THERMS)										
GAS PRODUCED	1,676	0	0	0	0	0	0	0	0	0
GAS PURCHASED	2,296,339,153	2,460,569,642	2,096,124,215	2,040,679,471	1,813,821,836	1,790,851,161	2,044,161,128	2,149,623,436	1,755,527,334	1,984,222,050
GAS TRANSPORTED OR COMPRESSED FOR OTHERS	0	0	0	0	846,205	1,726,573	1,405,038	39,391,701	78,825,336	146,217,884
GAS RECEIVED FROM STORAGE	31,583,000	50,620,369	3,898,000	7,496,577	0	42,541,519	12,442,436	17,094,825	13,405,563	5,128,114
TOTAL GAS RECEIVED	2,327,923,829	2,511,190,011	2,100,022,215	2,048,176,048	1,814,668,041	1,835,119,253	2,058,008,602	2,206,109,962	1,847,758,233	2,135,568,048
GAS SOLD	2,274,786,649	2,501,282,249	2,077,871,491	2,018,254,278	1,790,848,458	1,725,693,276	2,036,618,301	2,106,946,664	1,748,651,000	1,904,608,665
GAS TRANSPORTED OR COMPRESSED FOR OTHERS	0	0	0	0	846,205	1,726,573	1,405,038	38,962,052	78,819,840	146,272,862
GAS USED BY COMPANY	2,934,215	2,439,893	1,543,260	1,678,115	2,544,689	2,472,634	1,890,174	2,202,738	1,333,105	1,973,425
GAS DELIVERED TO STORAGE	3,773,326	2,120,069	4,583,807	7,465,054	(16,094)	59,814,077	(346,032)	22,212,169	18,721,671	44,522,655
GAS UNACCOUNTED FOR	46,429,639	5,347,800	16,023,657	20,778,601	20,444,783	45,412,693	18,441,121	35,786,339	232,617	38,190,441
TOTAL GAS DELIVERED	2,327,923,829	2,511,190,011	2,100,022,215	2,048,176,048	1,814,668,041	1,835,119,253	2,058,008,602	2,206,109,962	1,847,758,233	2,135,568,048
UNACCOUNTED FOR TO TOTAL PRODUCED & PURCHASED	1.99	0.21	0.76	1.01	1.13	2.47	0.90	1.62	0.01	1.79
% DEPR/AMORT EXP TO TOTAL GAS PLANT IN SERV.	3.16	2.98	2.99	2.98	3.07	3.23	3.26	3.38	3.39	3.44
% NET GAS UTILITY OPR. INC. TO NET GAS PLANT	8.78	9.71	8.79	9.79	10.26	10.54	12.15	12.43	10.08	9.69
TRANS. & DISTRN. MAINS - FEET (END OF YEAR)	91,762,733	94,430,724	96,996,814	98,817,946	99,896,501	100,424,182	101,812,463	103,077,225	104,033,364	106,394,294
NO.OF METERS IN SERV.& HELD IN RESERVE (AVE.)	674,744	688,465	704,563	719,366	731,581	740,263	747,428	770,272	781,007	805,645
NUMBER OF CUSTOMERS - AVERAGE	596,629	610,077	629,584	644,624	649,787	654,098	668,652	686,727	708,217	736,167
AVERAGE B.T.U. CONTENT PER CU. FT.	1,049	1,047	1,053	1,055	1,052	1,045	1,043	1,037	1,025	1,033

TOTALST: BST
JULY 26TH, 1988

TOTAL MAJOR GAS UTILITIES ** WASHINGTON OPERATIONS ONLY **
PLANT, PRODUCTION AND SALES STATISTICS

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
GAS PLANT IN SERVICE AND HELD FOR FUTURE USE -- END OF YEAR										
INTANGIBLE PLANT	$304,757	$304,757	$304,757	$304,757	$424,250	$424,463	$424,198	$423,829	$423,581	$423,216
PRODUCTION AND STORAGE PLANT	16,858,225	18,806,368	19,188,965	19,720,189	21,447,891	21,355,078	22,477,616	22,117,997	22,282,603	22,322,747
TRANSMISSION AND DISTRIBUTION PLANT	338,034,308	375,414,471	400,484,593	427,917,305	459,254,938	486,503,759	514,197,803	551,134,817	593,885,379	647,017,092
GENERAL PLANT	21,116,217	22,818,365	24,414,243	31,221,311	35,037,846	39,741,902	43,154,361	51,063,570	59,076,497	66,993,740
TOTAL GAS PLANT IN SERVICE	376,313,507	417,343,961	444,392,558	479,163,560	516,763,925	548,025,202	580,253,974	624,740,093	675,667,858	736,757,795
PROPERTY HELD FOR FUTURE USE	0	0	0	0	0	0	0	0	0	0
LESS: ACCUM.PROV. FOR DEPR.& AMORT.- GAS	87,438,633	96,771,956	106,885,024	116,871,070	133,421,208	146,359,426	161,710,848	178,956,011	196,918,815	214,633,697
NET GAS PLANT	$288,874,874	$320,572,005	$337,507,534	$362,292,490	$383,342,257	$401,665,798	$418,543,026	$445,784,082	$478,748,043	$522,123,098
CONSTRUCTION WORK IN PROGRESS	$4,752,174	$1,975,730	$7,175,629	$1,962,510	$3,053,443	$3,936,115	$3,661,851	$4,110,095	$7,435,626	$5,696,320
ANNUAL GAS RECEIVED & DELIVERED(THERMS)										
GAS PRODUCED	1,436	0	0	0	0	0	0	0	0	0
GAS PURCHASED	1,348,444,676	1,479,973,518	1,262,024,968	1,252,103,335	1,106,280,140	1,108,591,044	1,274,328,995	1,345,789,595	1,130,649,382	1,251,329,209
GAS TRANSPORTED OR COMPRESSED FOR OTHERS	0	0	0	0	846,205	1,726,575	1,405,038	5,740,252	24,990,988	88,977,256
GAS RECEIVED FROM STORAGE	22,327,437	9,593,133	3,299,239	6,490,440	0	30,944,172	9,516,913	879,189	305,035	120,496
TOTAL GAS RECEIVED	1,370,773,549	1,489,566,651	1,265,324,207	1,258,593,775	1,106,926,345	1,141,261,789	1,285,450,946	1,352,408,916	1,156,051,615	1,317,026,961
GAS SOLD	1,342,739,632	1,484,297,176	1,257,592,790	1,237,962,612	1,092,925,149	1,073,170,473	1,272,435,678	1,327,628,586	1,124,332,474	1,229,815,499
GAS TRANSPORTED OR COMPRESSED FOR OTHERS	0	0	0	0	846,205	1,726,575	1,405,038	5,375,006	25,302,040	88,977,256
GAS USED BY COMPANY	430,781	454,768	524,646	455,069	747,005	570,160	763,441	812,412	752,033	988,554
GAS DELIVERED TO STORAGE	0	1,286,200	3,299,239	6,503,861	0	39,496,086	0	3,345,630	4,159,031	0
GAS UNACCOUNTED FOR	27,603,136	3,528,507	3,907,532	13,692,453	12,407,988	26,298,497	10,846,589	15,069,482	1,106,028	10,340,652
TOTAL GAS DELIVERED	1,370,773,549	1,489,566,651	1,265,324,207	1,258,593,775	1,106,926,345	1,141,261,789	1,285,450,946	1,352,408,916	1,156,051,615	1,317,026,961
UNACCOUNTED FOR TO TOTAL PRODUCED & PURCHASED	2.01	0.24	0.31	1.09	1.12	2.30	0.84	1.11	0.13	1.31
% DEPR/AMORT EXP TO TOTAL GAS PLANT IN SERV.	3.05	2.89	2.91	2.96	3.06	3.12	3.13	3.25	3.26	3.29
% NET GAS UTILITY OPR. INC. TO NET GAS PLANT	9.00	10.07	9.32	11.19	10.50	10.76	13.45	13.35	10.11	9.47
TRANS. & DISTRN. MAINS - FEET (END OF YEAR)	49,983,188	51,320,526	52,701,128	53,750,769	54,430,147	54,654,928	55,338,736	56,227,812	57,337,004	59,295,890
NO.OF METERS IN SERV.& HELD IN RESERVE (AVE.)	402,434	407,467	412,060	418,624	424,526	428,958	432,849	440,776	453,278	471,186
NUMBER OF CUSTOMERS - AVERAGE	354,741	361,423	371,467	377,904	379,753	381,759	389,771	399,384	412,593	431,838
AVERAGE B.T.U. CONTENT PER CU. FT.	1,049	1,047	1,053	1,055	1,052	1,045	1,043	1,037	1,025	1,033

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ANNUAL STATISTICS

of

ELECTRIC COMPANIES

1978-1987

Prepared by Revenue Requirements Section
September, 1988

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION
Olympia, Washington
98504

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INTRODUCTION

Privately-owned electric utilities in Washington State file annual reports with the Utilities and Transportation Commission. As part of its regulatory activities, the Commission reviews these reports and publishes relevant financial and operating statistics. This report presents summarized annual statistics of Washington's three class "A" (gross operating revenues exceeding $750,000) electric utilities for the years 1978 through 1987.

ELECTRIC UTILITIES OPERATING IN WASHINGTON

The three class "A" electric utilities operating in Washington State are Pacific Power & Light Company, Puget Sound Power & Light Company, and The Washington Water Power Company.

According to the revenue generated in 1987, Puget Sound Power & Light Company (PSP) operates entirely within the state of Washington. Nearly two-thirds of Washington Water Power Company (WWP) revenue is generated within the state, whereas Pacific Power & Light Company (PPL) operates primarily outside the state with only 14.1 percent of its revenue generated in Washington State.

GROSS OPERATING REVENUE BY COMPANY
1987 ($ MILLION)

	Total Company	Washington Actual	State Share (%)
Pacific Power & Light Company	1,095.4	154.2	14.1
Puget Sound Power & Light Company	729.4	729.4	100.0
The Washington Water Power Company	328.9	222.1	67.5

MAJOR INFORMATION BLOCKS - ANNUAL REPORTS TO COMMISSION

The annual reports submitted by the electric companies contain a large number of schedules following the FERC Uniform System of Accounts. Some of the major and relevant information blocks are:

(1) Balance Sheet - Assets and Liabilities;
(2) Net Income and Retained Earnings;
(3) Operating Revenue and Expenses;
(4) Source and Disposition of Energy;
(5) Sales, Revenue, and Customers; and
(6) Plant and Electric Division Statistics.

Annual statistics by company and blocks are summarized in this report as follows:

FORMAT AND CONTENT OF ANNUAL ELECTRIC REPORT

Financial and operations time series data are presented in tabular form for each of the three electric utilities and for a corresponding state total. Ten tables (six "company totals" and four "Washington State operations only totals"), are included for each Pacific Power & Light Company (PPL) and The Washington Water Power Company (WWP).

Only six tables are included for Puget Sound Power & Light (PSP) Company as this company operates entirely within the state and the "company total" and "state operations total" are identical.

Each table is labeled for ease of use and comparison as follows:

1. Three letters - the letters are an acronym for the company providing the information, i.e., PPL, PSP, WWP.

2. One digit - the number is based on the information blocks above (1 through 6).

3. Blank or "S": The label ends with an "S" if the table reflects Washington State operations only. If the label ends with a digit, the table contains total company information.

For example, table PPL.2 contains net income and retained earnings (Block 2) data for Pacific Power & Light Company and the figures reflect total company operations. However, table PPL.5S contains Pacific Power & Light Company information, for state operations only for Block 5: Sales, Revenue and Customers. If comparative analyses of multiple companies are needed, tables of like number are used, e.g., table PPL.1, table PSP.1, table WWP.1 and ALL.1 for comparisons of total assets and liabilities.

DATA USES/ANALYSIS OF ELECTRIC UTILITIES

Sources of Revenues and Expenditures:

Data presented in the tables can be used in a variety of ways. Table I presents summary data for the state electric utility operations identifying the major sources and distribution of operating revenues and expenditures, both in absolute and relative terms. The detailed source of data for this table is ALL.3S. The statistics presented in Table I are also described in Charts I through IV. Charts I and II present the major sources of revenue both in dollars and percentage terms.

Charts III and IV present the distribution of total revenue by sources of expenditures and net operating income.

Source and Disposition of Energy:

Table II presents the various sources and disposition of energy by major categories both in absolute and relative terms. The detailed source for this summary is Table ALL.4S. The major sources and disposition categories are presented in Charts V and VI in megawatt hours. Items such as internal combustion source and energy furnished without charge are not shown in charts as they are not relatively significant.

CAUTIONARY NOTE

Since the publication of the last annual report in July 1987, some of the data for earlier years presented here have been revised based on the revisions received from the electric utilities.

In any attempt to develop continuous and comparable time series data, one of the main problems is to assure comparability of various data elements. Though comparability is assured at broad group levels, the individual data elements that are added due to changes in accounting systems pose a continuous problem for comparison.

Some of the data elements in source and disposition of energy used in Table II may not be comparable over all the years 1978-1987.

Readers are requested to send their suggestions and comments to the attention of Dr. S. Ananda Rao, Coordinator, Reports and Statistics either in writing or by phone (206) 753-3006.

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TOTALC: 9
JULY 26TH, 1988

TOTAL MAJOR GAS UTILITIES ** TOTAL COMPANY OPERATIONS **
SALES STATISTICS FOR GAS OPERATIONS

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
GAS SERVICE REVENUES										
RESIDENTIAL SALES	$183,178,506	$211,263,658	$254,648,424	$259,813,851	$322,134,535	$293,270,941	$332,701,468	$359,910,216	$298,211,071	$277,512,583
COMMERCIAL SALES	140,662,845	169,459,624	216,212,073	225,583,730	281,828,129	264,048,320	297,519,425	317,031,425	247,959,648	222,858,908
INDUSTRIAL SALES	305,166,843	406,084,811	455,686,398	495,916,978	434,662,191	428,548,505	514,015,962	460,637,040	274,254,285	276,124,207
SALES FOR RESALE	0	17,677,149	2,415,022	0	944,322	0	0	0	0	0
TOTAL GAS SERVICE REVENUES	$629,008,194	$804,485,242	$928,961,917	$981,314,559	$1,039,569,177	$985,867,766	$1,144,236,855	$1,137,578,681	$820,425,004	$776,495,698
THERMS OF GAS SOLD										
RESIDENTIAL SALES	528,983,439	534,826,837	495,788,313	452,388,630	493,642,929	438,147,389	500,131,400	557,753,994	495,618,576	489,324,065
COMMERCIAL SALES	468,333,483	488,128,413	462,021,621	439,745,504	472,519,233	437,646,628	494,513,189	544,024,485	481,148,720	477,264,676
INDUSTRIAL SALES	1,277,554,879	1,419,477,931	1,113,058,122	1,131,131,116	822,892,654	849,961,442	1,042,040,755	1,005,237,345	771,942,423	931,663,373
SALES FOR RESALE	0	58,933,455	7,080,542	0	1,864,856	0	0	0	0	0
TOTAL THERMS OF GAS SOLD	2,274,871,801	2,501,366,636	2,077,948,598	2,023,265,250	1,790,919,672	1,725,755,459	2,036,685,344	2,107,015,824	1,748,709,719	1,898,252,114
AVERAGE NUMBER OF GAS CUSTOMERS PER MONTH										
RESIDENTIAL SALES	524,568	535,556	552,416	565,661	570,005	573,468	586,247	600,887	619,514	644,038
COMMERCIAL SALES	70,245	72,672	75,243	75,823	76,391	77,033	79,394	81,952	84,750	88,186
INDUSTRIAL SALES	1,816	1,848	1,925	3,140	3,479	3,597	3,649	3,888	3,953	3,943
SALES FOR RESALE	0	0	0	0	2	0	0	0	0	0
TOTAL GAS CUSTOMERS	596,629	610,076	629,584	644,624	649,877	654,098	669,290	686,727	708,217	736,167
AVE. GAS SERVICE REVENUE/THERM SOLD (CENTS)										
RESIDENTIAL SALES	34.63	39.50	51.36	57.43	65.26	66.93	66.52	64.53	60.17	56.71
COMMERCIAL SALES	30.03	34.72	46.80	51.30	59.64	60.33	60.16	58.28	51.53	46.70
INDUSTRIAL SALES	23.89	28.61	40.94	43.84	52.82	50.42	49.33	45.82	35.53	29.64
SALES FOR RESALE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	27.65	32.16	44.71	48.50	58.05	57.13	56.18	53.99	46.92	40.91
AVERAGE GAS SERVICE REVENUE PER CUSTOMER										
RESIDENTIAL SALES	$349	$394	$461	$459	$565	$511	$568	$599	$481	$431
COMMERCIAL SALES	2,002	2,332	2,874	2,975	3,689	3,428	3,747	3,869	2,926	2,527
INDUSTRIAL SALES	168,043	219,743	236,720	157,935	124,939	119,141	140,865	118,477	69,379	70,029
SALES FOR RESALE	0	0	0	0	0	0	0	0	0	0
TOTAL	1,054	1,319	1,476	1,522	1,600	1,507	1,710	1,657	1,158	1,055
AVERAGE THERMS OF GAS SOLD PER CUSTOMER										
RESIDENTIAL SALES	1,008	999	897	800	866	764	853	928	800	760
COMMERCIAL SALES	6,667	6,717	6,140	5,800	6,186	5,681	6,229	6,638	5,677	5,412
INDUSTRIAL SALES	703,499	768,116	578,212	360,233	236,531	236,297	285,569	258,549	195,280	236,283
SALES FOR RESALE	0	0	0	0	0	0	0	0	0	0
TOTAL	3,813	4,100	3,301	3,139	2,756	2,638	3,043	3,068	2,469	2,579

NOTE: One therm is equal to 100,000 B.T

TOTALST: 9ST
JULY 26TH, 1988

TOTAL MAJOR GAS UTILITIES ** WASHINGTON OPERATIONS ONLY **
SALES STATISTICS FOR GAS OPERATIONS

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
GAS SERVICE REVENUES										
RESIDENTIAL SALES	$111,481,401	$128,476,433	$156,618,121	$160,942,444	$198,626,755	$177,670,985	$198,335,323	$216,257,138	$176,557,150	$160,348,180
COMMERCIAL SALES	94,964,679	112,406,882	144,285,165	149,751,081	185,360,122	170,636,743	193,533,314	204,762,072	158,857,174	141,051,204
INDUSTRIAL SALES	166,150,102	231,386,096	260,740,343	296,696,457	253,154,836	258,463,260	317,141,898	289,316,378	173,755,703	169,035,566
SALES FOR RESALE	0	5,463,596	63,637	0	784,555	0	0	0	0	0
TOTAL GAS SERVICE REVENUES	$372,596,182	$477,733,007	$561,707,266	$607,389,982	$637,926,268	$606,770,988	$709,010,535	$710,335,588	$509,170,027	$470,434,950
THERMS OF GAS SOLD										
RESIDENTIAL SALES	330,974,186	330,948,809	310,221,789	280,012,127	304,899,132	269,761,724	303,642,571	341,784,089	306,551,201	306,401,209
COMMERCIAL SALES	323,912,956	329,894,431	313,481,963	292,688,489	312,295,543	290,944,436	328,970,587	359,182,942	319,005,268	319,168,756
INDUSTRIAL SALES	687,852,022	803,940,907	633,716,054	669,574,211	474,798,247	512,464,630	639,823,182	626,660,927	498,776,191	604,163,719
SALES FOR RESALE	0	19,512,844	173,399	0	1,556,875	0	0	0	0	0
TOTAL THERMS OF GAS SOLD	1,342,739,164	1,484,296,991	1,257,593,205	1,242,274,827	1,093,549,797	1,073,170,790	1,272,436,340	1,327,627,958	1,124,332,660	1,229,733,684
AVERAGE NUMBER OF GAS CUSTOMERS PER MONTH										
RESIDENTIAL SALES	312,014	317,455	326,314	332,021	333,456	335,080	341,914	350,064	361,686	378,867
COMMERCIAL SALES	41,573	42,753	43,872	43,388	43,466	43,737	44,866	46,109	47,658	49,706
INDUSTRIAL SALES	1,154	1,215	1,281	2,495	2,829	2,942	2,991	3,211	3,249	3,265
SALES FOR RESALE	0	0	0	0	2	0	0	0	0	0
TOTAL GAS CUSTOMERS	354,741	361,423	371,467	377,904	379,753	381,759	389,771	399,384	412,593	431,838
AVE. GAS SERVICE REVENUE/THERM SOLD (CENTS)										
RESIDENTIAL SALES	33.68	38.82	50.49	57.48	65.15	65.86	65.32	63.27	57.59	52.33
COMMERCIAL SALES	29.32	34.07	46.03	51.16	59.35	58.65	58.83	57.01	49.80	44.19
INDUSTRIAL SALES	24.15	28.78	41.14	44.31	53.32	50.44	49.57	46.17	34.84	27.98
SALES FOR RESALE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	27.75	32.19	44.67	48.89	58.34	56.54	55.72	53.50	45.29	38.26
AVERAGE GAS SERVICE REVENUE PER CUSTOMER										
RESIDENTIAL SALES	$357	$405	$480	$485	$596	$530	$580	$618	$488	$423
COMMERCIAL SALES	2,284	2,629	3,289	3,451	4,264	3,901	4,314	4,441	3,333	2,838
INDUSTRIAL SALES	143,978	190,441	203,544	118,916	89,486	87,853	106,032	90,102	53,480	51,772
SALES FOR RESALE	0	0	0	0	0	0	0	0	0	0
TOTAL	1,050	1,322	1,512	1,607	1,680	1,589	1,819	1,779	1,234	1,089
AVERAGE THERMS OF GAS SOLD PER CUSTOMER										
RESIDENTIAL SALES	1,061	1,043	951	843	914	805	888	976	848	809
COMMERCIAL SALES	7,791	7,716	7,145	6,746	7,185	6,652	7,332	7,790	6,694	6,421
INDUSTRIAL SALES	596,059	661,680	494,704	268,366	167,833	174,189	213,916	195,161	153,517	185,042
SALES FOR RESALE	0	0	0	0	0	0	0	0	0	0
TOTAL	3,785	4,107	3,385	3,287	2,880	2,811	3,265	3,324	2,725	2,848

NOTE: One therm is equal to 100,000 B.T

TABLE I

TABLE I
JULY 24TH, 1988

TOTAL MAJOR ELECTRIC UTILITIES -- WASHINGTON OPERATIONS ONLY
SOURCES AND DISTRIBUTION OF REVENUE AND EXPENDITURE

SOURCES OF REVENUE	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
RESIDENTIAL SALES	$176,448,618	$209,347,530	$246,328,906	$274,126,517	$319,960,846	$384,964,910	$504,022,974	$548,409,243	$546,870,475	$540,078,281
COMMERCIAL AND INDUSTRIAL SALES	138,839,496	168,090,787	204,526,625	246,491,176	284,389,148	317,260,360	397,251,781	433,517,698	463,239,024	494,464,180
PUBLIC STREET AND HIGHWAY LIGHTING	4,214,486	4,621,293	5,076,930	5,744,356	6,989,415	7,801,427	9,307,014	9,714,350	10,073,861	10,142,169
ALL OTHER REVENUES	64,636,713	51,548,261	71,513,291	97,799,044	100,327,986	76,369,256	84,909,039	104,322,678	46,536,863	60,955,425
TOTAL SALES	$384,139,313	$433,607,871	$527,445,752	$624,161,093	$711,667,395	$786,395,953	$995,490,808	$1,095,963,969	$1,066,720,223	$1,105,640,055
DISTRIBUTION OF REVENUE BY SOURCES(%)										
RESIDENTIAL SALES	45.93	48.28	46.70	43.92	44.96	48.95	50.63	50.04	51.27	48.85
COMMERCIAL AND INDUSTRIAL SALES	36.14	38.77	38.78	39.49	39.96	40.34	39.91	39.56	43.43	44.72
PUBLIC STREET AND HIGHWAY LIGHTING	1.10	1.07	0.96	0.92	0.98	0.99	0.93	0.89	0.94	0.92
ALL OTHER REVENUES	16.83	11.89	13.56	15.67	14.10	9.71	8.53	9.52	4.36	5.51
TOTAL DISTRIBUTION	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
SOURCES OF EXPENDITURE										
PRODUCTION EXPENSES	$116,340,898	$158,702,647	$216,134,186	$197,538,915	$219,297,456	$243,193,521	$307,821,958	$331,261,580	$302,772,900	$323,860,810
OTHER OPERATION AND MAINTENANCE EXPENSES	74,584,132	86,334,940	97,424,277	121,770,805	140,164,300	151,501,745	176,183,462	187,909,823	192,616,955	207,752,175
DEPRECIATION AND AMORTIZATIOIN EXPENSES	37,715,565	43,720,674	49,642,821	52,451,275	57,275,805	66,697,999	92,552,579	109,786,392	124,566,835	135,636,163
TAXES OTHER THAN FEDERAL INCOME TAXES	34,507,868	39,857,162	43,579,978	50,790,662	57,965,958	68,058,830	86,411,501	92,424,117	101,147,219	103,509,569
ALL FEDERAL INCOME TAXES, ITC, & DEFERRED TAXES	16,778,738	6,646,524	8,006,000	30,028,014	52,704,961	62,641,906	88,098,863	111,320,409	87,012,926	77,946,417
TOTAL ELECTRIC OPERATING EXPENSES	$279,927,201	$335,261,947	$414,787,262	$452,579,671	$527,408,480	$592,094,001	$751,068,363	$832,702,321	$808,116,835	$848,705,134
NET OPERATING INCOME	$104,212,112	$98,345,924	$112,658,490	$171,581,422	$184,258,915	$194,301,952	$244,422,445	$263,261,648	$258,603,388	$256,934,921
DISTRIBUTION OF REVENUE(%)										
PRODUCTION EXPENSES	30.29	36.60	40.98	31.65	30.81	30.93	30.92	30.23	28.38	29.29
OTHER OPERATION AND MAINTENANCE EXPENSES	19.42	19.91	18.47	19.51	19.70	19.27	17.70	17.15	18.06	18.79
DEPRECIATION AND AMORTIZATIOIN EXPENSES	9.82	10.08	9.41	8.40	8.05	8.48	9.30	10.02	11.68	12.27
TAXES OTHER THAN FEDERAL INCOME TAXES	8.98	9.19	8.26	8.14	8.15	8.65	8.68	8.43	9.48	9.36
ALL FEDERAL INCOME TAXES, ITC, & DEFERRED TAXES	4.37	1.53	1.52	4.81	7.41	7.97	8.85	10.16	8.16	7.05
NET OPERATING INCOME	27.13	22.68	21.36	27.49	25.89	24.71	24.55	24.02	24.24	23.24
	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00

SOURCE: TABLE ALL.3S

CHART I
CLASS A ELECTRIC UTILITIES
State of Washington Operations
DISTRIBUTION OF
TOTAL OPERTING REVENUES ($)

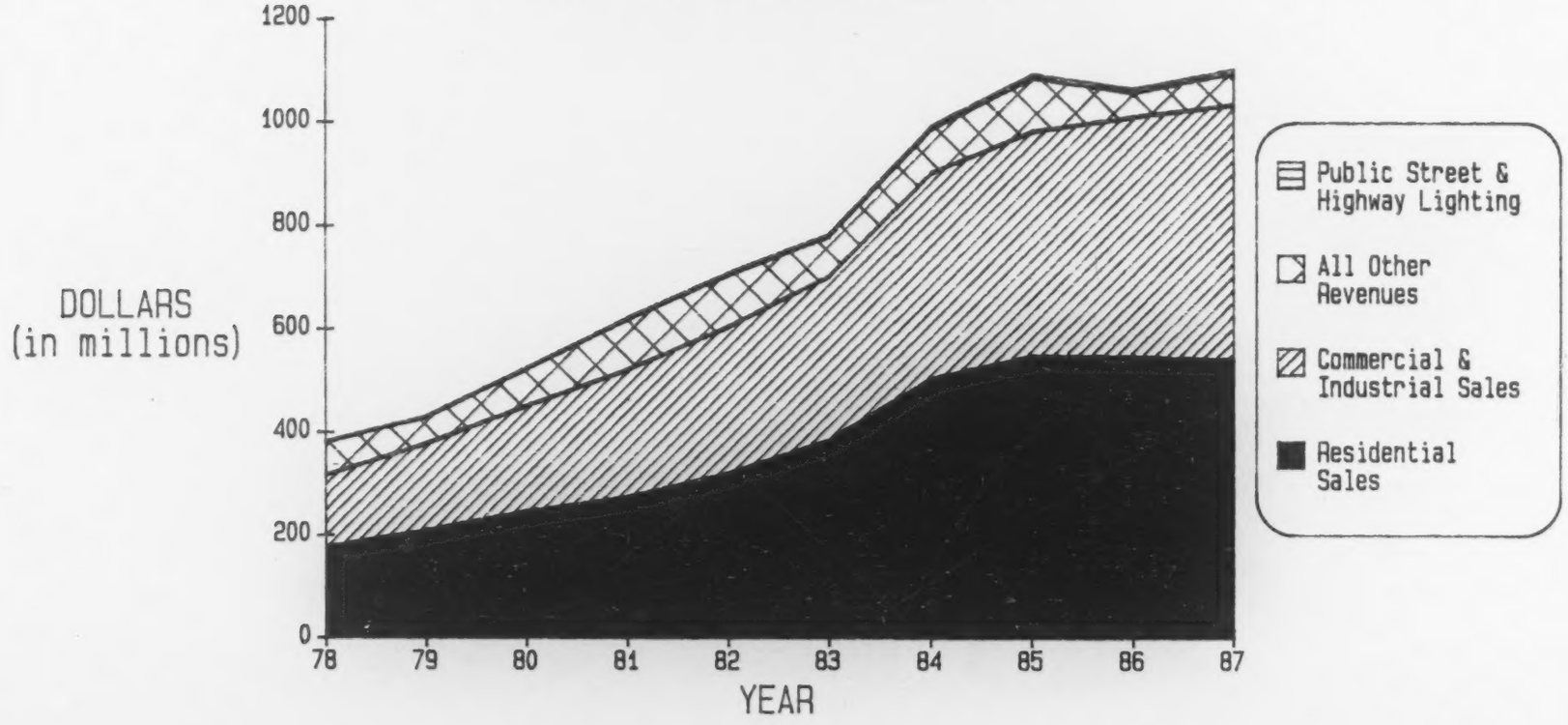

CHART II
CLASS A ELECTRIC UTILITIES
State of Washington Operations
PERCENT DISTRIBUTION
OPERATING REVENUE SOURCES

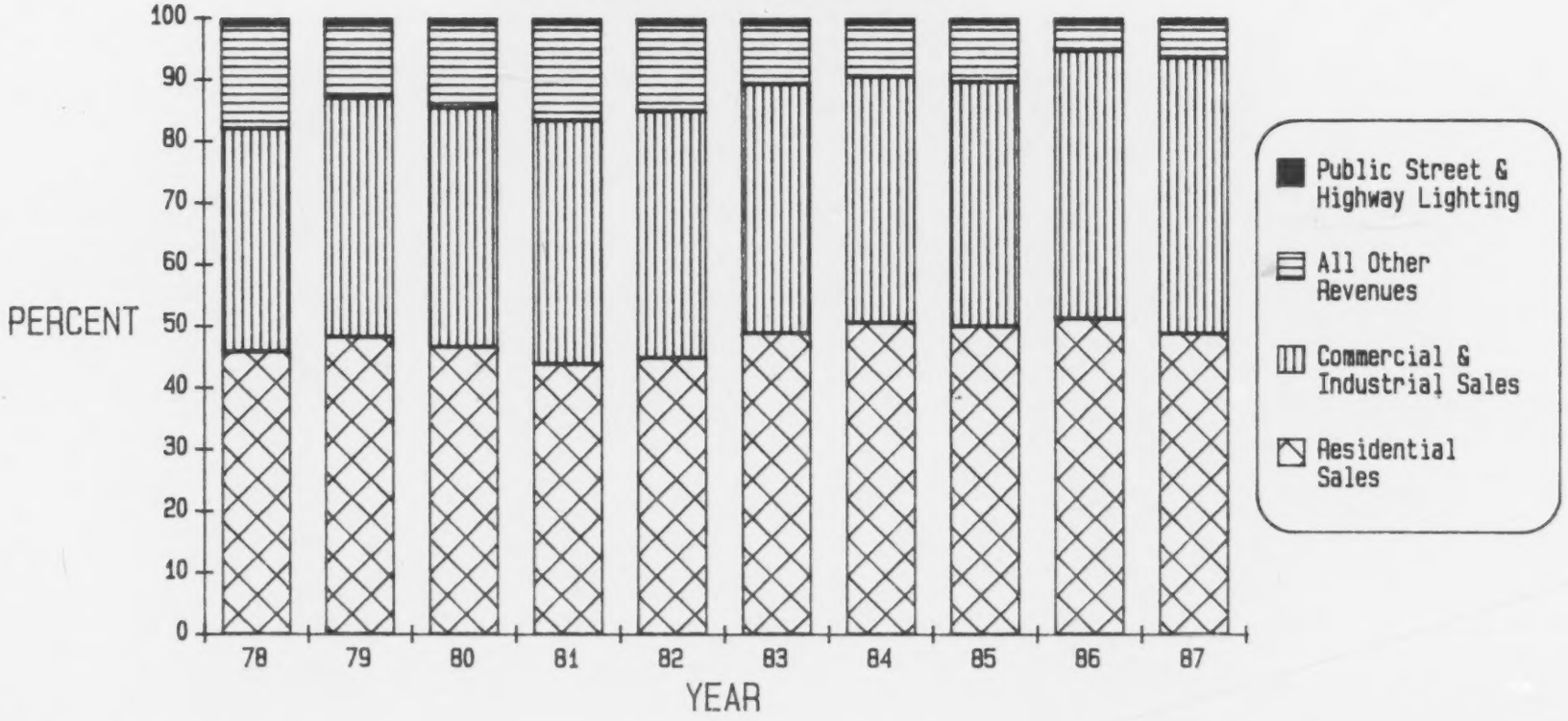

CHART III
CLASS A ELECTRIC UTILITIES
State of Washington Operations
DISTRIBUTION OF TOTAL OPERATING
REVENUES ($)

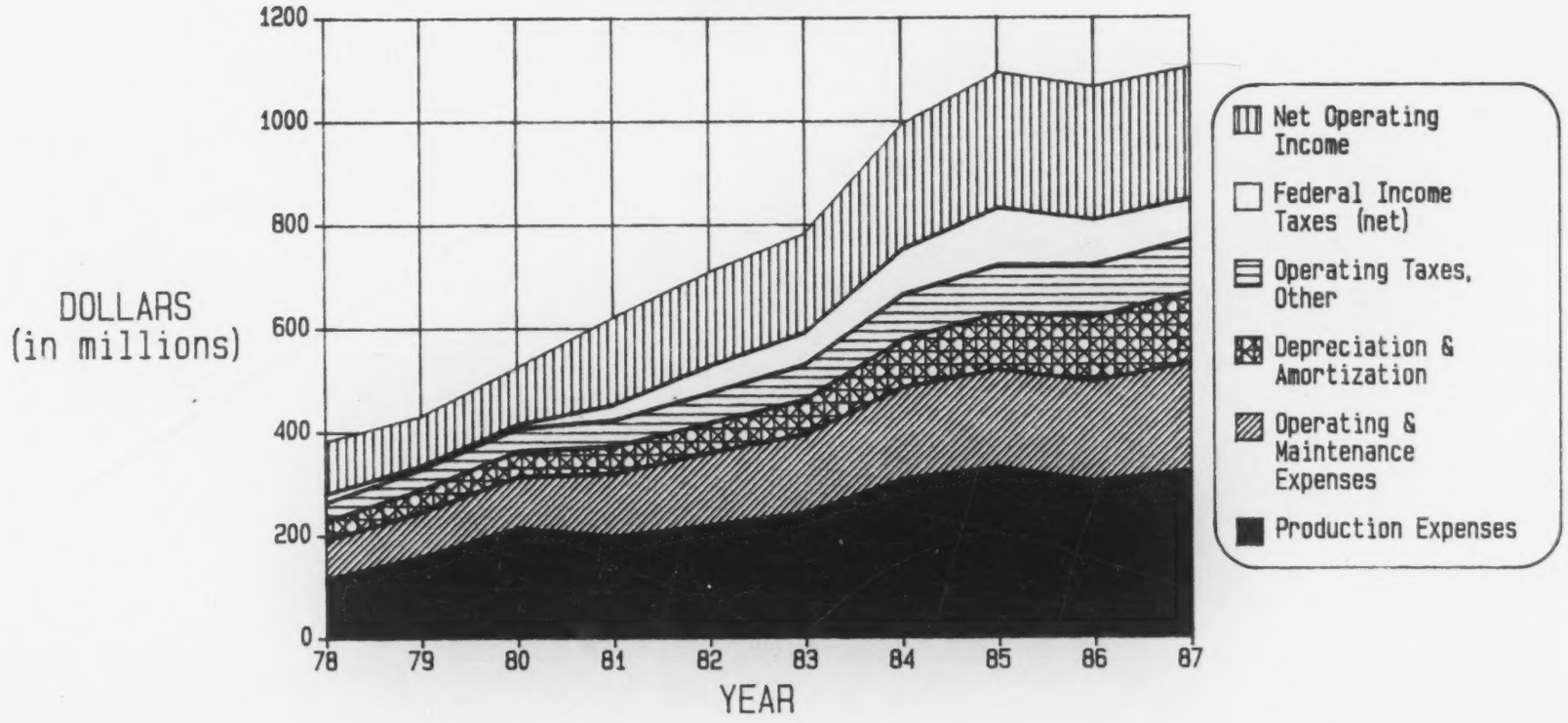

CHART IV
CLASS A ELECTRIC UTILITIES
State of Washington Operations
DISTRIBUTION OF
TOTAL OPERATING REVENUES

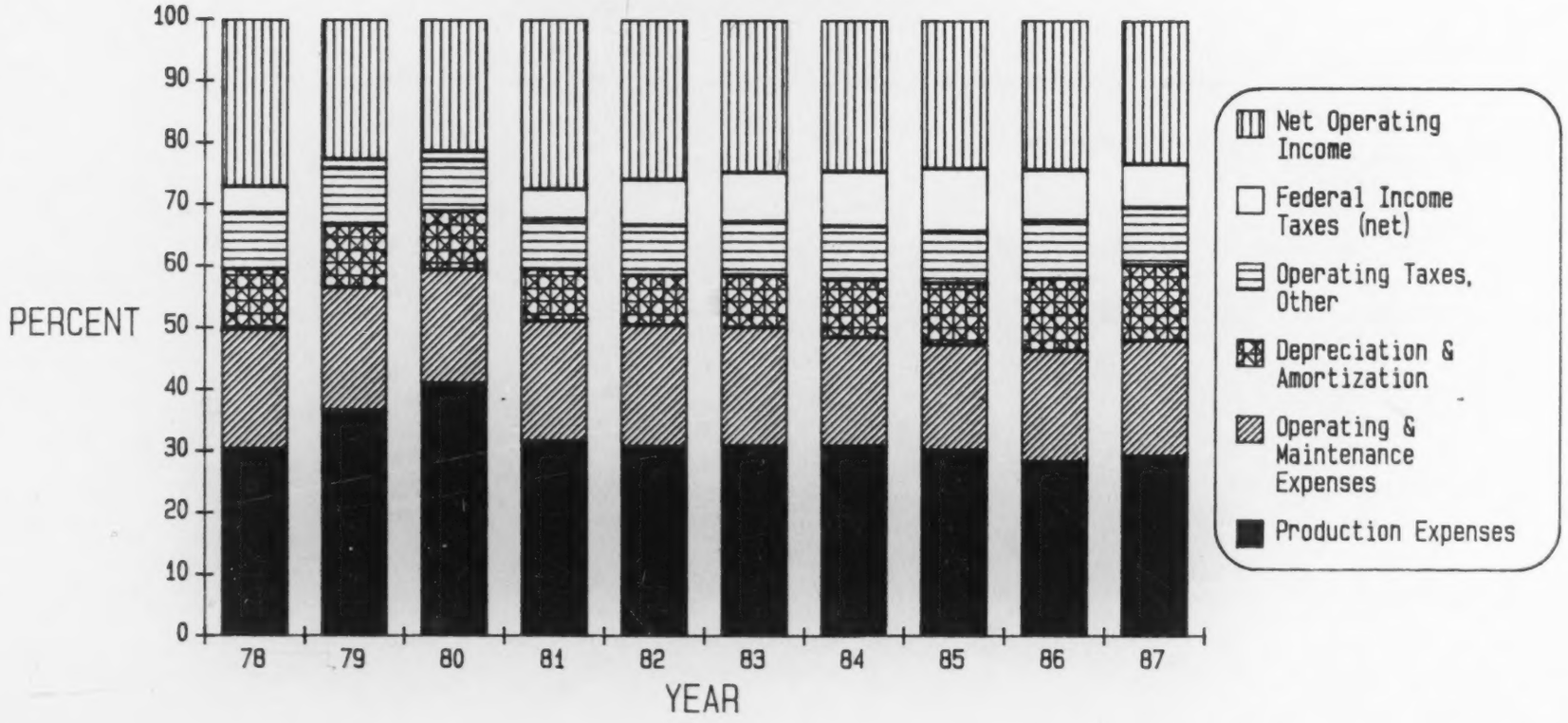

TABLE II

TABLE II
JULY 24TH, 1988

TOTAL MAJOR ELECTRIC UTILITIES -- WASHINGTON OPERATIONS ONLY
SUMMARY SOURCE AND DISPOSITION OF ENERGY

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
SOURCES OF ENERGY:-- MEGAWATT HOURS										
STEAM GENERATION	6,150,444	7,282,965	7,025,491	6,822,739	5,453,101	6,069,054	7,558,963	8,973,893	7,365,705	9,677,273
NUCLEAR GENERATION	0	0	0	0	0	0	0	0	0	0
HYDROELECTRIC GENERATION	3,784,796	3,431,036	4,003,295	4,052,663	4,368,846	4,558,033	4,228,917	3,469,276	3,741,063	3,427,046
INTERNAL COMBUSTION & OTHERS	10,489	179,079	76,771	45,430	10,081	3,977	4,437	8,512	6,056	10,164
TOTAL PURCHASES FOR RESALE	19,373,498	17,881,176	17,987,058	20,284,908	20,974,718	19,788,857	17,449,398	18,468,485	16,897,933	16,462,309
NET INTERCHANGES	(1,319,625)	(5,546,288)	(3,650,613)	(3,609,169)	(3,723,361)	(3,102,266)	(2,301,908)	(4,216,718)	(2,004,059)	(2,261,448)
ALL OTHER TRANSMISSION/TRANSFERS(NET)	(3,621,989)	585,395	(38,547)	1,547	186,952	(643,858)	350,204	1,688,544	1,266,579	93,964
TOTAL AVAILABLE ENERGY	24,377,613	23,813,363	25,403,455	27,598,118	27,270,337	26,673,797	27,290,011	28,391,992	27,273,277	27,409,308
PERCENTAGE DISTRIBUTION OF ENERGY SOURCES:										
STEAM GENERATION	25.23	30.58	27.66	24.72	20.00	22.75	27.70	31.61	27.01	35.31
NUCLEAR GENERATION	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
HYDROELECTRIC GENERATION	15.53	14.41	15.76	14.68	16.02	17.09	15.50	12.22	13.72	12.50
INTERNAL COMBUSTION & OTHERS	0.04	0.75	0.30	0.16	0.04	0.01	0.02	0.03	0.02	0.04
TOTAL PURCHASES FOR ESALE	79.47	75.09	70.81	73.50	76.91	74.19	63.94	65.05	61.96	60.06
NET INTERCHANGES	-5.41	-23.29	-14.37	-13.08	-13.65	-11.63	-8.43	-14.85	-7.35	-8.25
ALL OTHER TRANSMISSION/TRANSFERS(NET)	-14.86	2.46	-0.15	0.01	0.69	-2.41	1.28	5.95	4.64	0.34
TOTAL AVAILABLE ENERGY	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
DISPOSITION OF ENERGY:-- MEGAWATT HOURS										
TOTAL SALES TO ULTIMATE CONSUMERS	17,748,531	19,644,118	19,680,008	19,972,530	20,710,774	20,158,560	21,399,137	22,417,999	21,833,629	22,330,862
SALES FOR RESALE	4,709,442	2,917,711	3,985,428	5,407,692	5,032,031	4,588,702	4,391,261	4,504,428	4,178,673	3,609,526
ENERGY FURNISHED WITHOUT CHARGE	376	375	375	391	373	373	374	367	374	371
ENERGY USED BY COMPANY	22,706	21,624	22,086	29,231	29,015	35,582	39,576	38,663	36,566	35,729
ENERGY LOSSES	1,896,558	1,229,535	1,715,558	2,188,274	1,498,144	1,890,580	1,459,662	1,430,537	1,224,035	1,432,820
TOTAL DISPOSITION OF ENERGY	24,377,613	23,813,363	25,403,455	27,598,118	27,270,337	26,673,797	27,290,010	28,391,994	27,273,277	27,409,308
PERCENTAGE DISTRIBUTION OF ENERGY DISPOSITION										
TOTAL SALES TO ULTIMATE CONSUMERS	72.81	82.49	77.47	72.37	75.95	75.57	78.41	78.96	80.06	81.47
SALES FOR RESALE	19.32	12.25	15.69	19.59	18.45	17.20	16.09	15.87	15.32	13.17
ENERGY FURNISHED WITHOUT CHARGE	0.002	0.002	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001
ENERGY USED BY COMPANY	0.09	0.09	0.09	0.11	0.11	0.13	0.15	0.14	0.13	0.13
ENERGY LOSSES	7.78	5.16	6.75	7.93	5.49	7.09	5.35	5.04	4.49	5.23
TOTAL DISPOSITION OF ENERGY	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00

SOURCE: TABLE ALL.4S

APPENDIX: LIST OF TABLES BY COMPANY AND BLOCKS

ELECTRIC COMPANIES:

PPL: Pacific Power & Light Company
PSP: Puget Sound Power & Light Company
WWP: Washington Water Power Company
ALL: Total of all 3 companies

INFORMATION BLOCKS:

BLOCK 1: Balance Sheet
BLOCK 2: Net Income & Retained Earnings
BLOCK 3: Operating Revenue & Expenses
BLOCK 4: Source & Disposition of Energy
BLOCK 5: Sales, Revenues & Customers
BLOCK 6: Plant & Electric Division Statistics

ANNUAL STATISTICAL TABLES BY COMPANY AND BLOCKS

PPL.1	PSP.1	WWP.1	ALL.1	Balance Sheet -- Total Company
PPL.2	PSP.2	WWP.2	ALL.2	Net Income and Retained Earnings -- Total Company
PPL.3	PSP.3	WWP.3	ALL.3	Operating Revenue and Expenses -- Total Company
PPL.3S	-----	WWP.3S	ALL.3S	Operating Revenue and Expenses -- Washington Only
PPL.4	PSP.4	WWP.4	ALL.4	Source and Disposition of Energy -- Total Company
PPL.4S	-----	WWP.4S	ALL.4S	Source and Disposition of Energy -- Washington Only
PPL.5	PSP.5	WWP.5	ALL.5	Sales, Revenue and Customers -- Total Company
PPL.5S	-----	WWP.5S	ALL.5S	Sales, Revenue and Customers -- Washington Only
PPL.6	PSP.6	WWP.6	ALL.6	Plant and Electric Division Statistics -- Total Company
PPL.6S	-----	WWP.6S	ALL.6S	Plant and Electric Division Statistics -- Washington Only

CHART V
CLASS A ELECTRIC UTILITIES
State of Washington Operations
SOURCE OF ELECTRIC ENERGY

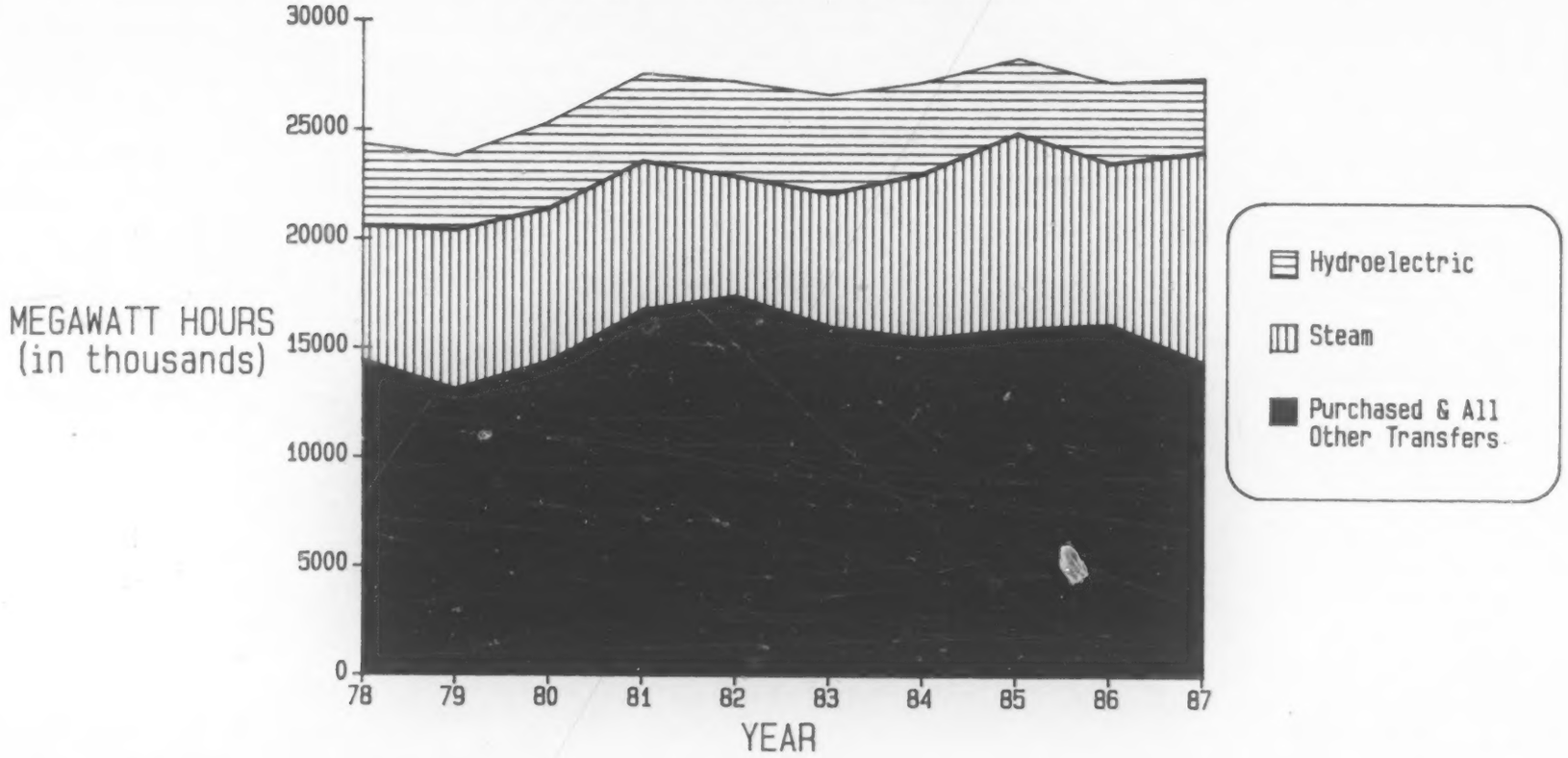

CHART VI
CLASS A ELECTRIC UTILITIES
State of Washington Operations
DISPOSITION OF ENERGY

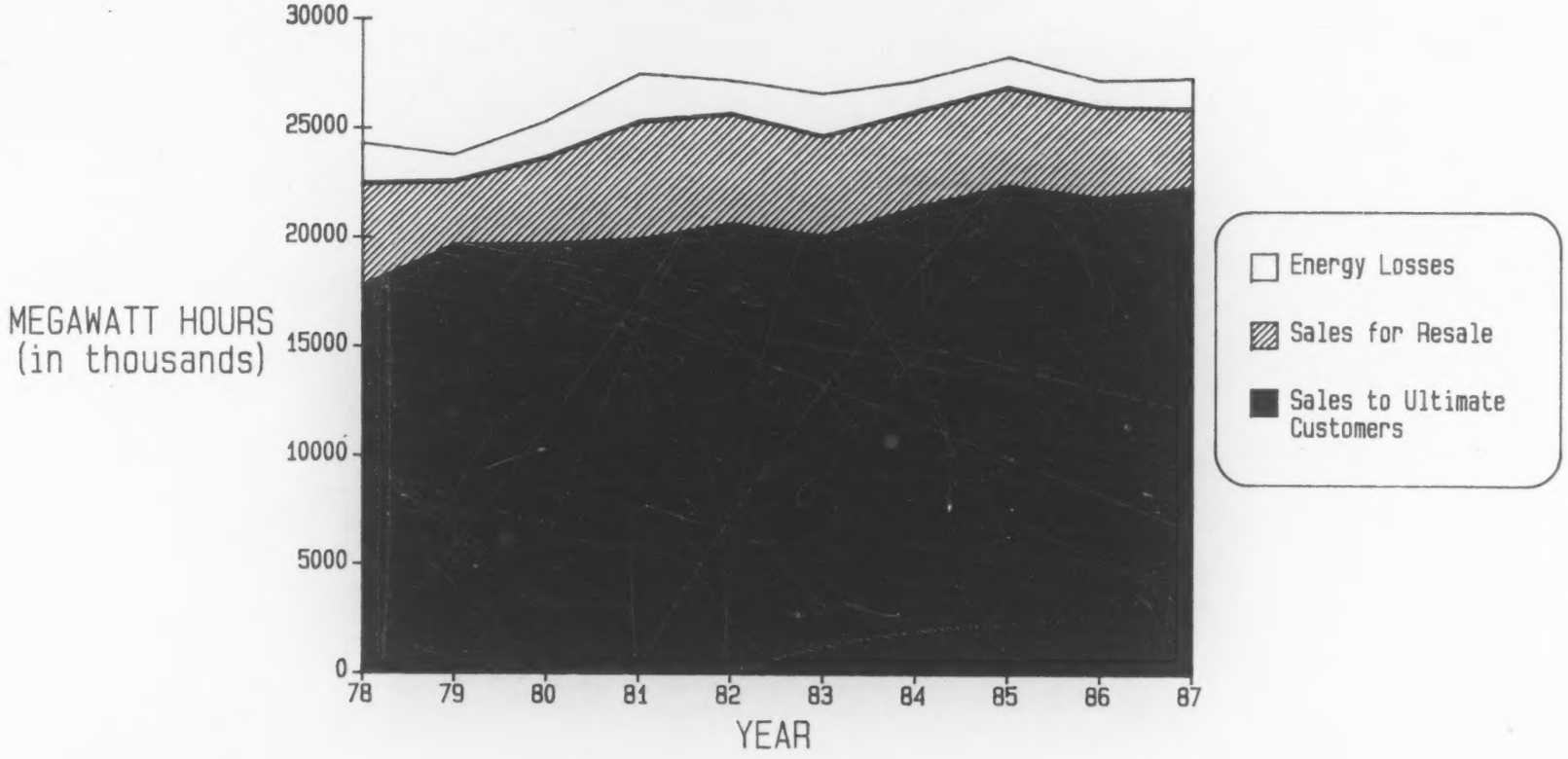

TABLE PPL.1

PPL1
JULY 11TH, 1988

PACIFIC POWER & LIGHT COMPANY -- TOTAL COMPANY OPERATIONS
BALANCE SHEET -- ASSETS AND LIABILITIES

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
ASSETS AND OTHER DEBITS										
TOTAL UTILITY PLANT	$2,370,534,125	$2,598,837,574	$2,855,809,933	$3,138,985,975	$3,239,270,855	$3,022,071,259	$3,127,944,161	$3,280,111,515	$3,586,637,969	$3,709,804,008
LESS: ACCUM. PROV. FOR DEPREC. & AMORT.	347,313,745	395,354,134	448,530,264	509,924,060	571,986,966	644,473,372	721,818,804	806,478,860	885,695,162	971,620,341
NET UTILITY PLANT	2,023,220,380	2,203,483,440	2,407,279,669	2,629,061,915	2,667,283,889	2,377,597,887	2,406,125,357	2,473,632,655	2,700,942,807	2,738,183,667
NET NUCLEAR FUEL	11,686,268	14,087,155	20,623,815	16,634,311	12,093,821	9,335,762	8,758,473	8,340,270	2,555,919	2,286,692
INVESTMENTS IN ASSOCIATED COMPANIES	0	0	0	0	0	0	0	0	0	0
OTHER PROPERTY AND INVESTMENTS	134,218,971	178,537,712	282,119,702	357,030,481	439,992,896	525,331,342	605,402,123	675,389,946	736,342,076	849,890,819
CURRENT AND ACCRUED ASSETS	90,698,261	130,274,073	143,729,037	202,573,092	201,870,671	271,097,511	383,632,688	277,467,794	386,169,502	487,408,832
UNAMORT. DEBT EXPENSE	2,631,714	2,666,247	2,601,849	2,902,015	3,594,229	3,788,095	5,697,659	5,896,836	6,179,704	6,317,516
OTHER DEFERRED DEBITS	36,131,220	41,296,261	56,701,879	54,233,945	139,694,679	291,541,332	334,042,271	365,482,760	207,676,227	148,525,300
TOTAL ASSETS AND OTHER DEBITS	$2,298,586,814	$2,570,344,888	$2,913,055,951	$3,262,435,759	$3,464,530,185	$3,478,691,929	$3,743,658,571	$3,806,210,261	$4,039,866,235	$4,232,612,826
LIABILITIES AND OTHER CREDITS										
COMMON STOCK ISSUED	$121,575,977	$123,498,274	$149,272,048	$165,102,425	$180,349,078	$185,190,073	$200,004,233	$214,112,187	$220,517,892	$226,482,714
PREFERRED STOCK ISSUED	227,236,000	277,236,000	276,459,000	343,459,000	418,459,000	418,459,000	358,597,125	231,144,125	215,759,750	255,115,375
PREMIUM ON CAPITAL STOCK	468,841,414	478,291,421	593,821,032	674,107,978	760,096,780	787,250,455	878,758,764	980,041,350	1,037,222,545	1,092,575,298
OTHER PAID-IN CAPITAL	0	0	433,893	397,484	397,484	397,484	397,484	397,484	397,487	397,487
INSTALLMENTS RECEIVED ON CAPITAL STOCK **	100,416	141,928	62,750	325,775	36,860	46,695	118,278	318,459	149,770	685,836
CAPITAL STOCK EXPENSE	(21,586,800)	(21,859,563)	(24,833,201)	(29,424,312)	(34,271,228)	(34,662,774)	(33,388,841)	(29,835,278)	(29,579,793)	(29,801,447)
RETAINED EARNINGS - UNAPPROPRIATED	150,438,579	131,456,250	100,589,751	91,586,420	72,501,582	16,831,726	65,970,237	63,256,796	51,508,973	31,437,073
UNAPPRO. UNDISTR. SUBSID. EARNINGS	77,808,130	114,975,621	165,067,094	207,278,489	268,355,480	223,804,966	279,831,705	350,170,555	402,848,155	497,665,379
RESTRICTED	0	0	0	0	0	0	0	0	0	0
APPROPRIATED	1,660,550	1,118,020	23,770	0	0	2,327,591	2,327,591	2,327,591	2,327,591	2,327,591
LONG-TERM DEBT(NET OF DISCOUNT)	1,044,808,121	1,152,554,054	1,198,645,246	1,378,660,403	1,358,630,039	1,388,056,297	1,362,358,127	1,314,352,079	1,308,820,916	1,255,958,626
CURRENT AND ACCRUED LIABILITIES	163,597,513	250,406,213	388,930,908	312,383,902	277,249,230	233,119,217	296,732,347	287,505,674	316,322,782	380,000,557
UNAMORTIZED PREMIUM ON DEBT	283,397	230,643	182,514	137,264	89,396	51,869	31,735	26,735	24,049	21,656
OTHER DEFERRED CREDITS	30,515,515	27,933,342	29,762,714	80,803,480	79,844,807	138,092,195	197,387,729	245,852,432	177,683,726	176,770,034
OPERATING RESERVES	2,102,345	2,745,714	2,581,145	4,596,755	7,380,105	6,149,877	5,928,327	8,298,457	159,529,048	155,245,792
ACCUMULATED DEFERRED INCOME TAXES	31,205,657	31,616,971	32,057,287	33,020,696	75,411,572	113,577,258	128,603,730	138,241,615	176,333,344	187,730,855
TOTAL LIABILITIES AND OTHER CREDITS	$2,298,586,814	$2,570,344,888	$2,913,055,951	$3,262,435,759	$3,464,530,185	$3,478,691,929	$3,743,658,571	$3,806,210,261	$4,039,866,235	$4,232,612,826
FINANCIAL AND PLANT RATIOS										
RATIO OF CURRENT & ACCRUED ASSETS/ LIABIL.(%)	55.44	52.03	36.95	64.85	72.81	116.29	129.29	96.51	122.08	128.27
LONG-TERM DEBT TO TOTAL UTILITY PLANT (%)	44.07	44.35	41.97	43.92	41.94	45.93	43.55	40.07	36.49	33.86
DEPREC. & AMORT. RESERVES TO TOT PLANT (%)	14.65	15.21	15.71	16.24	17.66	21.33	23.08	24.59	24.69	26.19
NUMBER OF TIMES FIXED CHARGES EARNED *	2.32	2.19	2.19	2.16	2.28	1.45	2.50	2.50	2.71	3.04

* FIXED CHARGES INCLUDE INTEREST ON LONG TERM DEBT+AMORTIZATION OF DEBT DISCOUNT, PREMIUM AND EXPENSE (NET) AND OTHER INTEREST CHARGES.

** INCLUDES REACQUIRED CAPITAL STOCK

TABLE PPL2

PPL2
JULY 11TH, 1988

PACIFIC POWER & LIGHT COMPANY -- TOTAL COMPANY OPERATIONS
NET INCOME AND RETAINED EARNINGS

NET INCOME STATEMENT	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
GROSS INCOME										
OPERATING INCOME FROM WASH. ELECT. OPERATIONS	$15,426,035	$9,885,835	$12,317,766	$21,013,322	$31,623,189	$33,178,514	$35,230,811	$33,709,135	$33,586,076	$36,425,204
OTHER OPERATING INCOME (NET)	119,848,247	114,337,773	138,220,747	169,693,770	194,142,823	216,814,211	237,406,668	211,106,354	215,382,128	211,743,177
TOTAL OPERATING INCOME	135,274,282	124,223,608	150,538,513	190,707,092	225,766,012	249,992,725	272,637,479	244,815,489	248,968,204	248,168,381
NON-OPERATING INCOME (NET)	21,597,227	42,394,000	66,288,759	64,536,586	81,784,263	124,043,736	93,055,359	94,223,432	100,198,183	198,520,669
GROSS INCOME	156,871,509	166,617,608	216,827,272	255,243,678	307,550,275	374,036,461	365,692,838	339,038,921	349,166,387	446,689,050
DEDUCTIONS FROM GROSS INCOME										
INTEREST ON LONG-TERM DEBT	76,086,951	84,324,381	89,299,703	107,824,272	123,140,005	142,731,130	145,070,247	135,498,128	116,488,664	101,360,007
AMORT. OF DEBT DISCOUNT & PREMIUM (NET) *	527,042	566,683	586,715	761,794	993,445	1,004,163	1,382,460	4,622,314	5,665,921	7,088,314
OTHER INTEREST CHARGES	2,552,219	8,370,877	20,846,714	34,876,344	29,097,242	8,753,299	15,923,250	24,272,623	24,081,145	21,748,381
ALLOWANCE FOR FUNDS USED DURING CONSTN.(CR)	27,095,024	39,005,572	35,237,952	48,179,278	45,469,874	60,309,145	30,792,216	36,886,276	29,393,616	14,539,926
MISCELLANEOUS INCOME DEDUCTIONS	680,056	1,516,839	9,132,569	(5,908,145)	3,299,054	6,291,566	(9,286,536)	(35,735,464)	(17,333,758)	65,925,116
TOTAL INCOME DEDUCTIONS	52,751,244	55,773,208	84,627,749	89,374,987	111,059,872	98,471,013	122,297,205	91,771,325	99,508,356	181,581,892
INCOME BEFORE EXTRAORDINARY ITEMS	104,120,265	110,844,400	132,199,523	165,868,691	196,490,403	275,565,448	243,395,633	247,267,596	249,658,031	265,107,158
EXTRAORDINARY ITEMS AFTER TAXES	0	0	0	0	(842,876)	(206,212,916)	0	0	0	0
NET INCOME	$104,120,265	$110,844,400	$132,199,523	$165,868,691	$195,647,527	$69,352,532	$243,395,633	$247,267,596	$249,658,031	$265,107,158
UNAPPROPRIATED RETAINED EARNINGS STATEMENT										
BALANCE AT BEGINNING OF YEAR	$151,538,772	$150,438,579	$131,456,250	$100,589,751	$91,586,420	$72,501,582	$16,831,726	$65,970,237	$64,956,796	$51,508,973
CREDITS: NET INCOME	84,589,994	73,676,909	69,643,623	104,809,903	124,363,490	(35,651,954)	174,559,771	176,928,746	165,280,431	170,376,419
OTHER CREDITS	0	542,530	13,558,677	18,871,163	10,207,046	149,555,000	12,809,123	0	1,600,000	(86,485)
TOTAL CREDITS	84,589,994	74,219,439	83,202,300	123,681,066	134,570,536	113,903,046	187,368,894	176,928,746	166,880,431	170,289,934
DEBITS: DIVIDENDS DECLARED	84,029,637	93,201,768	114,068,799	132,684,397	153,655,374	167,245,311	138,230,383	179,642,187	180,328,254	190,361,834
OTHER DEBITS	1,660,550	0	0	0	0	2,327,591	0	0	0	0
TOTAL DEBITS	85,690,187	93,201,768	114,068,799	132,684,397	153,655,374	169,572,902	138,230,383	179,642,187	180,328,254	190,361,834
BALANCE AT END OF YEAR	$150,438,579	$131,456,250	$100,589,751	$91,586,420	$72,501,582	$16,831,726	$65,970,237	$63,256,796	$51,508,973	$31,437,073
UNAPP. UNDIST. SUBSIDIARY EARNINGS STATEMENT										
BALANCE AT BEGINNING OF YEAR **	$58,277,859	$77,808,130	$114,975,621	$165,067,094	$207,278,489	$268,355,480	$223,804,966	$279,831,705	$320,070,555	$402,848,155
EQUITY IN EARNINGS FOR YEAR	19,530,271	37,167,491	62,555,900	61,058,788	71,284,037	105,004,486	68,835,862	70,338,850	84,377,600	94,730,739
DIVIDENDS RECEIVED - DR.	0	0	12,464,427	18,847,393	10,207,046	149,555,000	8,650,561	0	1,600,000	900,000
OTHER CHANGES	0	0	0	0	0	0	(4,158,562)	0	0	986,485
BALANCE AT END OF YEAR	$77,808,130	$114,975,621	$165,067,094	$207,278,489	$268,355,480	$223,804,966	$279,831,705	$350,170,555	$402,848,155	$497,665,379
APP. & RESTRICTED RETAINED EARNINGS STATEMENT										
BALANCE AT END OF YEAR	$0	$1,118,020	$23,770	$0	$0	$2,327,591	$2,327,591	$2,327,591	$2,327,591	$2,327,591

* INCLUDES AMORTIZATIOIN OF LOSS AND GAIN ON REACQUIRED DEBT

** BALANCE AT BEGINNING OF YEAR 1986 HAS BEEN ADJUSTED TO REFLECT RETROACTIVE CHANGES IN ACCOUNTING METHODS.

TABLE PPL.3

PPL3
JULY 11TH, 1988

PACIFIC POWER & LIGHT COMPANY -- TOTAL COMPANY OPERATIONS
OPERATING REVENUE AND EXPENSES

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
ELECTRIC PLANT IN SERVICE										
INTANGIBLE	$583,027	$579,103	$578,568	$578,178	$8,541,096	$13,742,077	$16,281,432	$18,884,724	$31,520,351	$32,711,513
TANGIBLE	1,920,657,172	2,168,310,611	2,330,284,178	2,608,883,124	2,685,337,302	2,752,436,520	2,926,278,091	3,001,402,317	3,286,600,699	3,384,443,018
TOTAL ELECTRIC PLANT IN SERVICE	$1,921,240,199	$2,168,889,714	$2,330,862,746	$2,609,461,302	$2,693,878,398	$2,766,178,597	$2,942,559,523	$3,020,287,041	$3,318,121,050	$3,417,154,531
ACCUMULATED PROVISION FOR DEPREC. & AMORT.	$340,816,532	$388,106,808	$440,324,659	$501,055,307	$560,547,789	$631,992,496	$712,954,908	$794,704,825	$880,911,551	$966,295,686
NET OPERATING INCOME STATEMENT - ELECTRIC										
OPERATING REVENUES - ELECTRIC										
RESIDENTIAL SALES	$163,902,555	$178,429,564	$196,315,215	$222,444,179	$237,998,910	$271,528,495	$317,595,294	$349,253,063	$337,758,732	$350,864,027
COMMERCIAL AND INDUSTRIAL SALES	206,229,705	224,687,889	259,819,731	327,400,634	388,023,062	470,719,563	525,598,067	558,683,164	576,388,054	613,429,881
PUBLIC STREET AND HIGHWAY LIGHTING	3,014,023	3,094,049	3,334,755	3,801,909	4,351,755	4,660,679	4,931,269	5,162,035	5,194,332	5,372,850
OTHER SALES TO PUBLIC AUTHORITIES	8,852	8,895	12,467	15,213	27,290	25,387	11,652	12,001	15,836	15,402
SALES TO RAILROADS AND RAILWAYS	0	0	0	0	0	0	0	0	0	0
INTERDEPARTMENTAL SALES	138,492	180,526	280,718	432,556	526,770	526,000	581,019	274,916	792,530	2,256,476
UNBILLED REVENUES *	0	0	0	0	0	0	0	0	0	0
TOTAL SALES TO ULTIMATE CONSUMERS	373,293,627	406,400,923	459,762,886	554,094,491	630,927,787	747,460,124	848,717,301	913,385,179	920,149,484	971,938,636
SALES FOR RESALE	72,905,281	74,645,892	109,191,750	147,695,791	145,999,939	107,129,444	129,622,643	184,837,185	127,837,919	125,423,577
TOTAL SALES OF ELECTRICITY	446,198,908	481,046,815	568,954,636	701,790,282	776,927,726	854,589,568	978,339,944	1,098,222,364	1,047,987,403	1,097,362,213
OTHER OPERATING REVENUES	7,194,047	6,808,338	8,779,267	8,175,211	12,221,119	11,640,559	14,469,035	10,370,384	19,618,168	(3,937,067)
TOTAL ELECTRIC OPERATING REVENUES	453,392,955	487,855,153	577,733,903	709,965,493	789,148,845	866,230,127	992,808,979	1,108,592,748	1,067,605,571	1,093,425,146
OPERATING EXPENSES - ELECTRIC										
ENERGY PRODUCTION - STEAM	91,844,425	153,049,728	190,881,561	225,255,113	236,867,996	241,570,637	283,150,136	341,003,623	266,157,740	300,043,652
- NUCLEAR	985,154	1,192,703	1,530,084	1,906,634	1,658,976	119,247	2,248,187	2,638,493	3,039,878	3,141,601
- HYDROELECTRIC	4,241,721	4,589,220	5,093,883	5,750,844	5,746,542	7,035,071	7,854,044	7,497,905	7,398,279	7,011,951
- INTERNAL COMBUSTION	150,025	163,681	152,967	142,226	197,129	268,120	226,291	210,434	247,569	164,317
PURCHASED POWER	37,753,267	41,694,585	39,216,524	52,323,403	9,488,567	19,225,205	17,304,479	54,635,776	58,376,320	51,359,943
OTHER POWER SUPPLY	1,224,032	1,163,986	1,516,459	1,802,040	2,547,599	2,599,223	4,112,972	6,848,835	8,452,160	9,768,370
TOTAL PRODUCTION EXPENSES	136,198,624	201,853,903	238,391,478	287,180,260	256,506,809	270,817,503	314,896,109	412,835,066	343,671,946	371,489,834
TRANSMISSION	15,987,135	16,400,389	16,335,367	20,892,598	29,344,316	30,422,997	39,578,672	42,919,185	39,731,132	38,990,857
DISTRIBUTION	14,891,821	18,531,790	20,497,797	23,474,157	23,235,258	24,762,406	26,181,473	31,033,963	26,058,047	33,507,028
CUSTOMER ACCOUNTS	9,510,402	11,937,506	13,172,332	16,112,748	17,986,761	20,385,397	23,056,236	29,018,145	30,030,978	26,124,616
CUSTOMER SERVICE AND INFORMATION	3,615,195	3,865,564	4,979,654	5,838,035	5,732,129	4,872,687	8,223,404	9,753,218	6,175,051	4,202,925
SALES	0	0	0	0	0	12	0	2,139,538	7,700,596	8,092,070
ADMINISTRATIVE AND GENERAL	28,724,881	35,740,969	38,705,416	51,149,915	60,928,965	65,945,557	64,375,040	65,480,859	73,472,186	71,191,771
TOTAL ELECTRIC OPERATION & MAINT. EXPENSE	208,928,058	288,330,121	332,082,044	404,647,713	393,734,238	417,206,559	476,310,934	593,179,974	526,839,936	553,599,101
DEPRECIATION & AMORTIZATION	52,689,094	55,462,684	63,531,894	67,680,135	74,884,808	85,626,744	95,157,588	98,775,348	104,482,005	119,328,186
TAXES OTHER THAN FEDERAL INCOME TAXES	35,203,348	31,233,344	36,692,358	42,143,651	47,919,844	51,838,376	60,876,542	58,643,818	58,874,667	65,096,036
FEDERAL INCOME TAXES	4,049,359	(4,016,246)	1,160,175	3,492,025	4,890,382	9,482,169	26,255,172	86,652,251	92,985,836	120,128,909
INVESTMENT TAX CREDIT ADJUSTMENTS (NET)	18,126,252	(6,113,405)	(4,378,065)	2,938,035	37,968,654	42,761,183	67,282,442	18,379,862	11,870,070	(7,202,990)
FEDERAL INCOME TAXES DEFERRED (NET)	568,302	218,444	(1,615,301)	(1,091,307)	4,322,764	10,584,847	12,625,874	8,524,164	23,554,307	(3,978,329)
GAINS/LOSSES FROM DISP. OF UTILITY PLANT	0	0	0	0	0	(675,859)	(23,565)	0	(627)	(140,742)
TOTAL OPERATING EXPENSES	319,564,413	365,114,942	427,473,105	519,810,252	563,720,690	616,824,019	738,484,987	864,155,417	818,606,194	846,830,171
NET OPERATING INCOME	$133,828,542	$122,740,211	$150,260,798	$190,155,241	$225,428,155	$249,406,108	$254,323,992	$244,437,331	$248,999,377	$246,594,975

* UNBILLED REVENUES ARE INCORPORATED IN OTHER SOURCES OF REVENUE

TABLE PPL.3S

PPL3ST
JULY 22, 1987

PACIFIC POWER & LIGHT COMPANY -- WASHINGTON OPERATIONS ONLY
OPERATING REVENUE AND EXPENSES

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
ELECTRIC PLANT IN SERVICE										
INTANGIBLE	$29,197	$27,783	$27,783	$27,519	$27,267	$2,246,585	$2,308,815	$2,318,750	$2,639,178	$2,414,769
TANGIBLE	411,846,156	422,136,360	442,435,811	455,375,837	464,274,779	482,046,666	490,343,111	497,897,894	512,240,381	524,479,460
TOTAL ELECTRIC PLANT IN SERVICE	$411,875,353	$422,164,143	$442,463,594	$455,403,356	$464,302,046	$484,293,251	$492,651,926	$500,216,644	$514,879,559	$526,894,229
ACCUMULATED PROVISION FOR DEPREC. & AMORT.	$92,832,338	$103,123,592	$113,983,473	$125,382,123	$135,999,612	$149,317,434	$163,184,711	$177,141,532	$190,890,517	$203,057,473
NET OPERATING INCOME STATEMENT - ELECTRIC										
OPERATING REVENUES - ELECTRIC										
RESIDENTIAL SALES	$23,951,833	$27,148,938	$29,003,390	$33,883,865	$37,307,009	$45,580,051	$57,767,277	$62,056,716	$58,310,075	$58,597,191
COMMERCIAL AND INDUSTRIAL SALES	23,250,154	26,986,795	31,085,348	41,409,992	49,424,452	61,336,912	70,150,451	74,628,864	76,107,736	78,772,820
PUBLIC STREET AND HIGHWAY LIGHTING	403,284	419,799	442,643	511,190	625,757	633,918	621,825	632,086	654,493	672,829
OTHER SALES TO PUBLIC AUTHORITIES	1,107	1,108	1,003	928	928	928	940	927	865	794
SALES TO RAILROADS AND RAILWAYS	0	0	0	0	0	0	0	0	0	0
INTERDEPARTMENTAL SALES	0	0	0	0	0	0	0	0	0	207,034
UNBILLED REVENUES *	0	0	0	0	0	0	0	0	0	0
TOTAL SALES TO ULTIMATE CONSUMERS	47,606,378	54,556,640	60,532,384	75,805,975	87,358,146	107,551,809	128,540,493	137,318,593	135,073,169	138,250,668
SALES FOR RESALE	10,573,123	10,565,342	16,130,662	21,979,430	21,686,566	14,701,228	17,521,089	26,187,799	15,897,772	15,134,565
TOTAL SALES OF ELECTRICITY	58,179,501	65,121,982	76,663,046	97,785,405	109,044,712	122,253,037	146,061,582	163,506,392	150,970,941	153,385,233
OTHER OPERATING REVENUES	758,332	752,195	838,448	1,332,948	1,774,256	1,613,434	1,729,273	1,704,098	1,801,262	829,878
TOTAL ELECTRIC OPERATING REVENUES	58,937,833	65,874,177	77,501,494	99,118,353	110,818,968	123,866,471	147,790,855	165,210,490	152,772,203	154,215,111
OPERATING EXPENSES - ELECTRIC										
ENERGY PRODUCTION - STEAM	13,331,492	22,319,312	28,730,867	34,287,052	35,867,597	36,840,307	43,487,438	52,955,029	39,956,908	43,424,604
- NUCLEAR	149,260	176,737	234,922	293,120	256,297	28,767	354,247	419,843	468,243	471,466
- HYDROELECTRIC	668,071	711,329	814,512	914,388	920,022	1,149,532	1,271,569	1,234,152	1,177,067	1,072,828
- INTERNAL COMBUSTION	23,595	25,359	24,443	22,610	31,560	43,810	36,637	34,637	39,387	25,140
PURCHASED POWER	5,706,077	6,213,900	5,971,460	8,001,159	(3,736,763)	615,685	623,114	7,045,395	5,100,524	416,942
OTHER POWER SUPPLY	192,622	180,178	242,287	286,370	407,486	424,675	665,890	1,126,825	1,344,207	1,467,982
TOTAL PRODUCTION EXPENSES	20,071,117	29,626,815	36,018,491	43,804,699	33,746,199	39,102,776	46,438,895	62,815,881	48,086,336	46,878,962
TRANSMISSION	2,335,230	2,478,559	2,538,394	3,231,929	4,613,098	4,866,126	6,288,658	6,913,367	6,174,208	5,804,600
DISTRIBUTION	1,947,950	2,437,623	2,634,517	2,985,464	2,932,720	2,929,700	3,021,346	4,393,754	3,749,257	3,843,101
CUSTOMER ACCOUNTS	1,365,229	1,747,045	1,829,103	2,190,925	2,492,676	2,888,318	3,638,809	4,476,411	4,741,344	3,854,728
CUSTOMER SERVICE AND INFORMATION	526,767	567,024	648,021	1,037,199	982,161	807,476	1,297,691	1,452,269	770,913	439,395
SALES	0	0	0	0	0	0	0	276,745	992,012	1,084,672
ADMINISTRATIVE AND GENERAL	4,114,425	5,184,277	5,581,920	7,568,446	8,841,967	9,757,906	9,423,521	9,482,356	10,824,110	9,966,038
TOTAL ELECTRIC OPERATION & MAINT. EXPENSE	30,360,718	42,041,343	49,250,446	60,818,662	53,608,821	60,352,302	70,108,912	89,810,783	75,338,180	71,871,496
DEPRECIATION & AMORTIZATION	7,621,258	7,875,683	9,268,731	9,889,447	10,948,736	15,438,817	16,832,632	16,739,468	16,648,441	18,140,847
TAXES OTHER THAN FEDERAL INCOME TAXES	5,601,173	6,242,451	6,842,915	7,526,529	8,544,711	8,820,052	11,092,569	10,367,453	10,342,892	10,537,707
FEDERAL INCOME TAXES	0	102,281	106,444	67,939	691,237	1,047,155	3,724,856	11,521,919	12,228,814	18,966,276
INVESTMENT TAX CREDIT ADJUSTMENTS (NET)	103,628	(42,139)	(32,751)	(10,849)	4,857,862	4,067,056	1,103,207	2,439,083	1,517,170	(962,516)
FEDERAL INCOME TAXES DEFERRED (NET)	(174,979)	(231,277)	(252,057)	(186,697)	544,412	962,575	9,697,868	622,649	3,110,630	(763,903)
GAINS/LOSSES FROM DISP. OF UTILITY PLANT	0	0	0	0	0	0	0	0	0	0
TOTAL OPERATING EXPENSES	43,511,798	55,988,342	65,183,728	78,105,031	79,195,779	90,687,957	112,560,044	131,501,355	119,186,127	117,789,907
NET OPERATING INCOME	$15,426,035	$9,885,835	$12,317,766	$21,013,322	$31,623,189	$33,178,514	$35,230,811	$33,709,135	$33,586,076	$36,425,204

* UNBILLED REVENUES ARE INCLUDED IN OTHER SOURCES OF REVENUE

TABLE PPL.4

PPL4
JULY 11TH, 1988

PACIFIC POWER & LIGHT COMPANY -- TOTAL COMPANY OPERATIONS
SOURCE AND DISPOSITION OF ENERGY

SOURCES OF ENERGY -- MEGAWATT HOURS	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
GENERATION:										
STEAM	13,191,477	16,029,407	16,414,189	15,472,476	15,544,935	14,204,458	17,026,911	19,960,974	15,808,134	19,672,670
NUCLEAR	41,640	131,653	151,835	160,588	120,953	103,082	120,500	172,771	179,766	108,690
HYDROELECTRIC	3,714,200	3,326,162	3,646,673	3,470,285	4,593,690	4,825,412	4,653,439	3,682,625	3,900,352	3,383,435
INTERNAL COMBUSTION & OTHER	33	13	8	8	74	40	13	0	0	66
TOTAL GENERATION	16,947,350	19,487,235	20,212,705	19,103,357	20,259,652	19,132,992	21,800,863	23,816,370	19,888,252	23,164,861
ENERGY TRANS. FROM/TO PLANTS OUTSIDE STATE:										
RECEIVED	10,129,657	14,119,827	13,833,734	12,582,472	12,814,316	11,028,441	13,824,306	17,023,695	13,542,483	16,055,327
DELIVERED	10,129,657	14,119,827	13,833,734	12,582,472	12,814,316	11,028,441	13,824,306	17,023,695	13,542,483	16,055,327
TOTAL ENERGY TRANSFERRED	0	0	0	0	0	0	0	0	0	0
PURCHASES:										
FROM PRIVATELY-OWNED ELECTRIC UTILITIES	357,108	276,153	589,796	600,906	400,411	155,629	140,144	70,292	127,444	323,704
FROM MUNICIPAL & OTHER PUBLIC AUTHORITIES	8,008,690	5,382,990	5,191,046	7,096,410	6,610,768	7,447,847	4,576,139	5,836,380	6,650,666	4,660,021
FROM OTHER SOURCES	33,157	466,468	68,778	73,500	108,586	203,041	241,034	339,567	462,475	452,501
TOTAL PURCHASES FOR RESALE	8,398,955	6,125,611	5,849,620	7,770,816	7,119,765	7,806,517	4,957,317	6,246,239	7,240,585	5,436,226
INTERCHANGES - IN	5,575,084	6,876,705	5,905,500	7,577,563	13,932,418	12,524,508	17,015,234	18,575,389	17,512,030	14,675,819
- OUT	6,376,578	7,732,527	6,947,057	8,353,504	14,568,297	12,961,902	17,037,334	18,844,357	17,664,363	14,911,080
NET INTERCHANGES	(801,494)	(855,822)	(1,041,557)	(775,941)	(635,879)	(437,394)	(22,100)	(268,968)	(152,333)	(235,261)
TOTAL PURCHASED POWER	7,597,461	5,269,789	4,808,063	6,994,875	6,483,886	7,369,123	4,935,217	5,977,271	7,088,252	5,200,965
TRANSMISSION FOR/BY OTHERS:										
RECEIVED	5,548,032	1,118,153	1,906,232	1,624,865	1,051,675	2,261,715	1,904,123	78,240	546,521	722,149
DELIVERED	5,548,032	1,118,153	1,906,232	1,624,865	1,051,675	2,261,715	1,904,123	78,240	546,521	722,149
TOTAL TRANSMISSION	0	0	0	0	0	0	0	0	0	0
TOTAL AVAILABLE ENERGY	24,544,811	24,757,024	25,020,768	26,098,232	26,743,538	26,502,115	26,736,080	29,793,641	26,976,504	28,365,826
DISPOSITION OF ENERGY -- MEGAWATT HOURS										
RESIDENTIAL SALES	6,526,119	6,991,523	6,940,201	6,776,230	7,121,266	6,660,316	6,928,787	6,950,403	6,503,203	6,522,777
COMMERCIAL AND INDUSTRIAL SALES	10,614,701	11,387,919	11,484,298	11,776,851	11,703,339	12,190,318	12,499,929	13,016,143	13,261,520	14,307,434
PUBLIC STREET & HIGHWAY LIGHTING	67,334	65,890	65,477	62,446	60,435	57,607	56,116	56,179	55,688	56,050
OTHER SALES TO PUBLIC AUTHORITIES	219	213	649	938	2,011	1,539	102	30	25	22
SALES TO RAILROADS AND RAILWAYS	0	0	0	0	0	0	0	0	0	0
INTERDEPARTMENTAL SALES	15,502	20,055	20,573	20,825	21,990	21,505	22,179	17,226	28,683	71,924
UNBILLED MWH *	0	0	0	0	0	0	0	0	0	0
TOTAL SALES TO ULTIMATE CONSUMERS	17,223,875	18,465,600	18,511,198	18,637,290	18,909,041	18,931,285	19,507,113	20,039,981	19,849,119	20,958,207
SALES FOR RESALE	5,277,964	4,377,412	4,494,447	5,445,589	5,819,314	5,472,713	4,923,102	7,077,806	4,959,626	5,128,124
ENERGY FURNISHED WITHOUT CHARGE	46	47	41	53	22	11	0	0	0	0
ENERGY USED BY COMPANY	37,844	40,202	40,050	37,064	41,243	41,115	45,202	49,669	48,342	46,702
ENERGY LOSSES	2,005,082	1,873,763	1,975,032	1,978,236	1,973,918	2,056,991	2,260,663	2,626,185	2,119,417	2,232,793
TOTAL DISPOSITION OF ENERGY	24,544,811	24,757,024	25,020,768	26,098,232	26,743,538	26,502,115	26,736,080	29,793,641	26,976,504	28,365,826

* UNBILLED MWH ARE INCLUDED IN OTHER SOURCES OF ENERGY DISPOSITION

TABLE PPL.4S

PPL4ST
JULY 22, 1987

PACIFIC POWER & LIGHT COMPANY -- WASHINGTON OPERATIONS ONLY
SOURCE AND DISPOSITION OF ENERGY

SOURCES OF ENERGY -- MEGAWATT HOURS	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
GENERATION:										
STEAM	2,909,793	3,599,819	3,352,097	3,147,756	2,813,500	2,978,204	3,116,952	3,904,661	2,482,215	3,612,274
NUCLEAR	0	0	0	0	0	0	0	0	0	0
HYDROELECTRIC	1,617,756	1,454,731	1,677,069	1,773,705	2,101,215	2,228,597	1,984,265	1,453,087	1,580,932	1,558,344
INTERNAL COMBUSTION & OTHER	0	0	0	0	0	0	0	0	0	0
TOTAL GENERATION	4,527,549	5,054,550	5,029,166	4,921,461	4,914,715	5,206,801	5,101,217	5,357,748	4,063,147	5,170,618
ENERGY TRANS. FROM/TO PLANTS OUTSIDE STATE:										
RECEIVED	1,969,046	1,964,665	2,311,063	1,955,576	1,995,556	1,982,373	1,987,720	2,215,400	1,739,541	1,478,091
DELIVERED	979,334	1,439,653	1,686,155	1,318,169	1,131,390	1,106,700	1,029,301	1,105,440	927,836	1,053,774
TOTAL ENERGY TRANSFERRED	989,712	525,012	624,908	637,407	864,166	875,673	958,419	1,109,960	811,705	424,317
PURCHASES:										
FROM PRIVATELY-OWNED ELECTRIC UTILITIES	0	5,242	154,073	221,406	133,782	2,010	32,240	710	26,834	52,754
FROM MUNICIPAL & OTHER PUBLIC AUTHORITIES	3,745,003	2,949,125	2,883,983	3,350,710	3,143,579	2,790,656	2,420,646	2,387,849	2,238,056	2,121,036
FROM OTHER SOURCES	0	0	386	0	20,962	33,572	30,229	31,096	1,992	7,606
TOTAL PURCHASES FOR RESALE	3,745,003	2,954,367	3,038,442	3,572,116	3,298,323	2,826,238	2,483,115	2,419,655	2,266,882	2,181,396
INTERCHANGES - IN	711,913	863,582	596,074	894,468	2,116,482	2,084,961	2,697,409	3,108,885	2,968,491	2,448,219
- OUT	967,379	4,721,994	3,692,387	4,563,615	6,199,901	4,905,234	5,409,299	7,605,015	5,687,163	5,478,359
NET INTERCHANGES	(255,466)	(3,858,412)	(3,096,313)	(3,669,147)	(4,083,419)	(2,820,273)	(2,711,890)	(4,496,130)	(2,718,672)	(3,030,140)
TOTAL PURCHASED POWER	3,489,537	(904,045)	(57,871)	(97,031)	(785,096)	5,965	(228,775)	(2,076,475)	(451,790)	(848,744)
TRANSMISSION FOR/BY OTHERS:										
RECEIVED	0	0	0	0	0	0	0	78,240	0	0
DELIVERED	5,548,032	1,118,153	1,906,232	1,624,865	1,051,675	2,214,748	1,904,123	0	546,521	722,078
TOTAL TRANSMISSION	(5,548,032)	(1,118,153)	(1,906,232)	(1,624,865)	(1,051,675)	(2,214,748)	(1,904,123)	78,240	(546,521)	(722,078)
TOTAL AVAILABLE ENERGY	3,458,766	3,557,364	3,689,971	3,836,972	3,942,110	3,873,691	3,926,738	4,469,473	3,876,541	4,024,113
DISPOSITION OF ENERGY -- MEGAWATT HOURS										
RESIDENTIAL SALES	1,230,571	1,337,762	1,312,741	1,242,100	1,327,423	1,215,789	1,353,130	1,370,224	1,258,541	1,237,643
COMMERCIAL AND INDUSTRIAL SALES	1,147,716	1,308,172	1,411,021	1,478,583	1,476,204	1,538,011	1,598,455	1,687,813	1,695,317	1,768,725
PUBLIC STREET & HIGHWAY LIGHTING	10,139	10,324	10,300	9,604	9,571	8,565	7,454	7,438	7,468	7,411
OTHER SALES TO PUBLIC AUTHORITIES	0	0	0	0	0	0	0	0	0	0
SALES TO RAILROADS AND RAILWAYS	0	0	0	0	0	0	0	0	0	0
INTERDEPARTMENTAL SALES	0	0	0	0	0	0	0	0	0	7,468
UNBILLED MWH *	0	0	0	0	0	0	0	0	0	0
TOTAL SALES TO ULTIMATE CONSUMERS	2,388,426	2,656,258	2,734,062	2,730,287	2,813,198	2,762,365	2,959,039	3,065,475	2,961,326	3,021,247
SALES FOR RESALE	715,351	555,100	584,204	730,325	800,380	771,601	665,577	1,021,584	651,407	655,036
ENERGY FURNISHED WITHOUT CHARGE	0	0	0	0	0	0	0	0	0	0
ENERGY USED BY COMPANY	6,570	6,982	6,879	6,748	6,368	6,215	6,514	6,896	6,647	6,699
ENERGY LOSSES	348,419	339,024	364,826	369,612	322,164	333,510	295,608	375,518	257,161	341,131
TOTAL DISPOSITION OF ENERGY	3,458,766	3,557,364	3,689,971	3,836,972	3,942,110	3,873,691	3,926,738	4,469,473	3,876,541	4,024,113

* UNBILLED MWH ARE INCLUDED IN OTHER SOURCES OF ENERGY DISPOSITION

TABLE PPL.5

PPL5
JULY 11TH, 1988

PACIFIC POWER & LIGHT COMPANY -- TOTAL COMPANY OPERATIONS
SALES, REVENUE AND CUSTOMERS

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
AVERAGE NUMBER OF ELECTRIC CUSTOMERS PER MONTH										
RESIDENTIAL	520,513	538,415	553,598	563,543	567,275	571,703	566,535	568,257	571,600	572,508
COMMERCIAL AND INDUSTRIAL	130,546	134,581	135,460	137,714	138,845	138,464	136,340	136,674	136,253	136,574
PUBLIC STREET & HIGHWAY LIGHTING	1,129	1,152	1,244	1,397	1,506	1,584	1,636	1,806	1,887	1,957
OTHER PUBLIC AUTHORITIES	15	15	16	15	15	15	13	14	14	14
RAILROADS AND RAILWAYS	0	0	0	0	0	0	0	0	0	0
INTERDEPARTMETAL	11	11	11	11	11	11	10	6	5	6
TOTAL ULTIMATE CONSUMERS	652,214	674,174	690,329	702,680	707,652	711,777	704,534	706,757	709,759	711,059
RESALE	22	20	21	21	21	21	20	24	17	18
TOTAL ELECTRIC CUSTOMERS	652,236	674,194	690,350	702,701	707,673	711,798	704,554	706,781	709,776	711,077
AVERAGE ELECTRIC REVENUE PER MWH SOLD										
RESIDENTIAL	$25.11	$25.52	$28.29	$32.83	$33.42	$40.77	$45.84	$50.25	$51.94	$53.79
COMMERCIAL AND INDUSTRIAL	19.43	19.73	22.62	27.80	33.15	38.61	42.05	42.92	43.46	42.87
PUBLIC STREET & HIGHWAY LIGHTING	44.76	46.96	50.93	60.88	72.01	80.90	87.88	91.89	93.28	95.86
OTHER PUBLIC AUTHORITIES	40.42	41.76	19.21	16.22	13.57	16.50	114.24	400.03	633.44	700.09
RAILROADS AND RAILWAYS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
INTERDEPARTMENTAL	8.93	9.00	13.64	20.77	23.95	24.46	26.20	15.96	27.63	31.37
RESALE	13.81	17.05	24.29	27.12	25.09	19.58	26.33	26.12	25.78	24.46
AVERAGE REVENUE PER ELECTRIC CUSTOMER										
RESIDENTIAL	$314.89	$331.40	$354.62	$394.72	$419.55	$474.95	$560.59	$614.60	$590.90	$612.85
COMMERCIAL AND INDUSTRIAL	1,579.75	1,669.54	1,918.06	2,377.40	2,794.65	3,399.58	3,855.05	4,087.71	4,230.28	4,491.56
PUBLIC STREETS & HIGHWAY LIGHTING	2,669.64	2,685.81	2,680.67	2,721.48	2,889.61	2,942.35	3,014.22	2,858.27	2,752.69	2,745.45
OTHER PUBLIC AUTHORITIES	590.13	593.00	779.19	1,014.20	1,819.33	1,692.47	896.31	857.21	1,131.14	1,100.14
RAILROADS AND RAILWAYS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
INTERDEPARTMENTAL	12,590.18	16,411.45	25,519.82	39,323.27	47,888.18	47,818.18	58,101.90	45,819.33	158,506.00	376,079.33
RESALE	3,313,876.41	3,732,294.60	5,199,607.14	7,033,132.90	6,952,378.05	5,101,402.10	6,481,132.15	7,701,549.38	7,519,877.59	6,967,976.50
AVERAGE MWH SOLD PER ELECTRIC CUSTOMER										
RESIDENTIAL	12.54	12.99	12.54	12.02	12.55	11.65	12.23	12.23	11.38	11.39
COMMERCIAL AND INDUSTRIAL	81.31	84.62	84.78	85.52	84.29	88.04	91.68	95.23	97.33	104.76
PUBLIC STREET & HIGHWAY LIGHTING	59.64	57.20	52.63	44.70	40.13	36.37	34.30	31.11	29.51	28.64
OTHER PUBLIC AUTHORITIES	14.60	14.20	40.56	62.53	134.07	102.60	7.85	2.14	1.79	1.57
RAILROADS AND RAILWAYS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
INTERDEPARTMENTAL	1,409.27	1,823.18	1,870.27	1,893.18	1,999.09	1,955.00	2,217.90	2,871.00	5,736.60	11,987.33
RESALE	239,907.45	218,870.60	214,021.29	259,313.76	277,110.19	260,605.38	246,155.10	294,908.58	291,742.71	284,895.78

TABLE PPL.5S

PPL5ST
JULY 22, 1987

PACIFIC POWER & LIGHT COMPANY -- WASHINGTON OPERATIONS ONLY
SALES, REVENUE AND CUSTOMERS

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
AVERAGE NUMBER OF ELECTRIC CUSTOMERS PER MONTH										
RESIDENTIAL	77,910	79,793	81,136	81,995	82,492	83,481	84,869	85,838	86,142	86,440
COMMERCIAL AND INDUSTRIAL	19,446	19,903	20,145	20,399	20,498	20,458	20,419	20,678	20,236	20,249
PUBLIC STREET & HIGHWAY LIGHTING	165	174	193	209	216	215	208	217	229	249
OTHER PUBLIC AUTHORITIES	4	4	4	3	3	3	3	3	2	2
RAILROADS AND RAILWAYS	0	0	0	0	0	0	0	0	0	0
INTERDEPARTMETAL	0	0	0	0	0	0	0	0	0	0
TOTAL ULTIMATE CONSUMERS	97,525	99,874	101,478	102,606	103,209	104,157	105,499	106,736	106,609	106,940
RESALE	2	2	2	2	2	2	2	2	1	2
TOTAL ELECTRIC CUSTOMERS	97,527	99,876	101,480	102,608	103,211	104,159	105,501	106,738	106,610	106,942
AVERAGE ELECTRIC REVENUE PER MWH SOLD										
RESIDENTIAL	$19.46	$20.29	$22.09	$27.28	$28.10	$37.49	$42.69	$45.29	$46.33	$47.35
COMMERCIAL AND INDUSTRIAL	20.26	20.63	22.03	28.01	33.48	39.88	43.89	44.22	44.89	44.54
PUBLIC STREET & HIGHWAY LIGHTING	39.78	40.66	42.98	53.23	65.38	74.01	83.42	84.98	87.64	90.79
OTHER PUBLIC AUTHORITIES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RAILROADS AND RAILWAYS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
INTERDEPARTMETAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	27.72
RESALE	14.78	19.03	27.61	30.10	27.10	19.05	26.32	25.63	24.41	23.10
AVERAGE REVENUE PER ELECTRIC CUSTOMER										
RESIDENTIAL	$307.43	$340.24	$357.47	$413.24	$452.25	$545.99	$680.66	$722.95	$676.91	$677.89
COMMERCIAL AND INDUSTRIAL	1,195.63	1,355.92	1,543.08	2,030.00	2,411.18	2,998.19	3,435.55	3,609.09	3,761.01	3,890.21
PUBLIC STREET & HIGHWAY LIGHTING	2,444.15	2,412.64	2,293.49	2,445.89	2,897.02	2,948.46	2,989.54	2,912.84	2,858.05	2,702.12
OTHER PUBLIC AUTHORITIES	276.75	277.00	250.75	309.33	309.33	309.33	313.33	309.00	432.50	397.00
RAILROADS AND RAILWAYS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
INTERDEPARTMETAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RESALE	5,286,561.50	5,282,671.00	8,065,331.00	10,989,715.00	10,843,283.00	7,350,614.00	8,760,544.50	13,093,899.50	15,897,772.00	7,567,282.50
AVERAGE MWH SOLD PER ELECTRIC CUSTOMER										
RESIDENTIAL	15.79	16.77	16.18	15.15	16.09	14.56	15.94	15.96	14.61	14.32
COMMERCIAL AND INDUSTRIAL	59.02	65.73	70.04	72.48	72.02	75.18	78.28	81.62	83.78	87.35
PUBLIC STREET & HIGHWAY LIGHTING	61.45	59.33	53.37	45.95	44.31	39.84	35.84	34.28	32.61	29.76
OTHER PUBLIC AUTHORITIES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RAILROADS AND RAILWAYS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
INTERDEPARTMETAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RESALE	357,675.50	277,550.00	292,102.00	365,162.50	400,190.00	385,800.50	332,788.50	510,792.00	651,407.00	327,518.00

PPL6
JULY 11TH, 1988

TABLE PPL.6

PACIFIC POWER & LIGHT COMPANY -- TOTAL COMPANY OPERATIONS
PLANT AND ELECTRIC DIVISION STATISTICS

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
PLANT STATISTICS										
GENERATING CAPACITY (MW)*										
STEAM	2,715.7	3,054.8	3,039.1	3,039.1	3,003.6	3,003.6	3,076.5	3,076.5	3149.0	3149.0
NUCLEAR	28.3	30.4	30.4	30.4	30.4	30.4	30.4	30.4	30.0	30.0
HYDROELECTRIC	863.4	863.4	863.4	863.4	863.4	863.4	862.6	862.6	863.0	863.0
INTERNAL COMBUSTION AND OTHER	23.8	23.8	23.8	23.8	23.8	23.8	23.8	23.8	24.0	24.0
TOTAL GENERATING CAPACITY	3,631.1	3,972.4	3,956.7	3,956.7	3,921.2	3,921.2	3,993.3	3,993.3	4,066.0	4,066.0
MILES OF TRANSMISSION POLE LINES (ROUNDED)	6,414	6,434	6,537	7,000	7,027	7,045	6,963	6,912	6,856	6,825
NUMBER OF LINE TRANSFORMERS	262,569	272,821	278,362	285,184	288,665	286,029	287,357	290,269	293,364	253,288
CAPACITY OF ALL LINE TRANSFORMERS-KVA-ROUNDED	6,801,148	7,269,413	7,562,910	7,931,973	8,175,000	8,288,000	8,463,000	8,721,000	8,968,000	8,559,000
NUMBER OF METERS	662,847	676,295	695,268	701,993	707,130	685,408	733,295	734,956	735,757	735,291
ELECTRIC DIVISION STATISTICS										
TOTAL PLANT IN SERVICE PER DOLLAR OF OP. REV.	$4.24	$4.45	$4.03	$3.68	$3.41	$3.19	$2.96	$2.72	$3.11	$3.13
PERCENT OF OPERATING REVENUES:										
OPERATION & MAINTENANCE EXPENSES	46.08	59.10	57.48	57.00	49.89	48.16	47.98	53.51	49.35	50.63
TOTAL OPERATING EXPENSES	70.48	74.84	73.99	73.22	71.43	71.21	74.38	77.95	76.68	77.45
FEDERAL INCOME TAX - NET	4.89	(2.08)	(0.56)	0.91	5.43	6.03	9.42	9.47	9.82	10.33
FEDERAL INCOME TAX - DEFERRED	0.13	0.04	(0.28)	(0.15)	0.55	1.22	1.27	0.77	2.21	(0.36)
NET OPERATING INCOME	29.52	25.16	26.01	26.78	28.57	28.79	25.62	22.05	23.32	22.55
DEP./AMORT. EXP. TO TOTAL PLNT IN SERVICE (%)	2.74	2.56	2.73	2.59	2.78	3.10	3.23	3.27	3.15	3.49
INTANGIBLE TO TOTAL PLANT IN SERVICE (%)	0.03	0.03	0.02	0.02	0.32	0.50	0.55	0.63	0.95	0.96
ENERGY PRODUCTION EXPENSES PER GENERATED MWH										
STEAM	$6.96	$9.55	$11.63	$14.56	$15.24	$17.01	$16.63	$17.08	$16.84	$15.25
NUCLEAR	23.66	9.06	10.08	11.87	13.72	1.16	18.66	15.27	16.91	28.90
HYDROELECTRIC	1.14	1.38	1.40	1.66	1.25	1.46	1.69	2.04	1.90	2.07
OTHER	4,546.21	12,590.85	19,120.88	17,778.25	2,663.91	6,703.00	17,407.00	N/A	N/A	2,489.65
COST PER MWH PURCHASES ($)	$4.97	$7.91	$8.16	$7.48	$1.46	$2.61	$3.51	$9.14	$8.24	$9.88
MWH PURCHASED TO TOTAL AVAILABLE (%)	30.95	21.29	19.22	26.80	24.24	27.81	18.46	20.06	26.28	18.34
MWH LOST TO TOTAL AVAILABLE (%)	8.17	7.57	7.89	7.58	7.38	7.76	8.46	8.81	7.86	7.87

*IN COMPLIANCE WITH F.P.C. ORDER NO. 269, DATED AUGUST 1, 1974, REPORTING REQUIREMENTS ELIMINATED GENERATING STATIONS OF CERTAIN MINIMUM CAPACITIES.

N/A: NOT AVAILABLE

TABLE PPL.6S

PACIFIC POWER & LIGHT COMPANY -- WASHINGTON OPERATIONS ONLY
PLANT AND ELECTRIC DIVISION STATISTICS

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
PLANT STATISTICS										
GENERATING CAPACITY (MW)*										
STEAM	631.7	631.7	631.7	631.7	631.7	631.7	631.7	631.7	631.7	631.7
NUCLEAR	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
HYDROELECTRIC	465.4	465.4	465.4	465.4	465.4	465.4	465.4	465.4	465.4	465.4
INTERNAL COMBUSTION AND OTHER	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL GENERATING CAPACITY	1,097.0	1,097.0	1,097.0	1,097.1	1,097.1	1,097.1	1,097.1	1,097.1	1,097.1	1,097.1
MILES OF TRANSMISSION POLE LINES (ROUNDED)	846	754	738	740	740	738	698	690	634	618
NUMBER OF LINE TRANSFORMERS	43,408	44,936	45,822	46,420	46,917	47,357	47,791	48,218	49,262	35,997
CAPACITY OF ALL LINE TRANSFORMERS (KVA) (ROUNDED)	1,170,502	1,251,833	1,301,730	1,349,223	1,384,000	1,422,000	1,468,000	1,506,000	1,567,000	1,160,000
NUMBER OF METERS	94,968	96,845	99,213	99,154	99,941	102,543	108,968	110,034	110,518	110,003
ELECTRIC DIVISION STATISTICS										
TOTAL PLANT IN SERVICE PER DOLLAR OF OPER. REV.	$6.99	$6.41	$5.71	$4.59	$4.19	$3.91	$3.33	$3.03	$3.37	$3.42
PERCENT OF OPERATING REVENUES:										
OPERATION & MAINTENANCE EXPENSES	51.51	63.82	63.55	61.36	48.38	48.72	47.44	54.36	49.31	46.60
TOTAL OPERATING EXPENSES	73.83	84.99	84.11	78.80	71.46	73.21	76.16	79.60	78.02	76.38
FEDERAL INCOME TAX - NET	0.18	0.09	0.10	0.06	5.01	4.13	3.27	8.45	9.00	11.67
FEDERAL INCOME TAX - DEFERRED	(0.30)	(0.35)	(0.33)	(0.19)	0.49	0.78	6.56	0.38	2.04	(0.50)
NET OPERATING INCOME	26.17	15.01	15.89	21.20	28.54	26.79	23.84	20.40	21.98	23.62
DEPREC. & AMORT. EXP. TO TOTAL PLANT IN SERVICE (%)	1.85	1.87	2.09	2.17	2.36	3.19	3.42	3.35	3.23	3.44
INTANGIBLE TO TOTAL PLANT IN SERVICE (%)	0.01	0.01	0.01	0.01	0.01	0.46	0.47	0.46	0.51	0.46
ENERGY PRODUCTION EXPENSES PER GENERATED MWH										
STEAM	$4.58	$6.20	$8.57	$10.89	$12.75	$12.37	$13.95	$13.56	$16.10	$12.02
NUCLEAR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
HYDROELECTRIC	0.41	0.49	0.49	0.52	0.44	0.52	0.64	0.85	0.74	0.69
OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
COST PER MWH PURCHASES ($)	$1.64	($6.87)	($103.19)	($82.46)	$4.76	$103.22	($2.72)	($3.39)	($11.29)	($0.49)
MWH PURCHASED TO TOTAL AVAILABLE (%)	100.89	(25.41)	(1.57)	(2.53)	(19.92)	0.15	(5.83)	(46.46)	(11.65)	(21.09)
MWH LOST TO TOTAL AVAILABLE (%)	10.07	9.53	9.89	9.63	8.17	8.61	7.53	8.40	6.63	8.48

*IN COMPLIANCE WITH F.P.C. ORDER NO. 269, DATED AUGUST 1, 1974, REPORTING REQUIREMENTS ELIMINATED GENERATING STATIONS OF CERTAIN MINIMUM CAPACITIES.

TABLE PSP.1

PSP1
JULY 11TH, 1988

PUGET SOUND POWER & LIGHT COMPANY -- TOTAL COMPANY OPERATIONS
BALANCE SHEET -- ASSETS AND LIABILITIES

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
ASSETS AND OTHER DEBITS										
TOTAL UTILITY PLANT	$1,136,375,289	$1,289,846,267	$1,441,353,696	$1,719,351,126	$2,021,458,267	$2,203,135,892	$2,189,465,232	$2,329,582,654	$2,295,294,676	$2,371,082,657
LESS: ACCUM. PROV. FOR DEPREC. & AMORT.	160,778,805	184,833,478	213,582,739	242,057,861	272,007,559	306,331,721	351,418,957	394,934,861	455,469,583	524,627,540
NET UTILITY PLANT	975,596,484	1,105,012,789	1,227,770,957	1,477,293,265	1,749,450,708	1,896,804,171	1,838,046,275	1,934,647,793	1,839,825,093	1,846,455,117
NET NUCLEAR FUEL	8,958,548	11,867,285	16,126,781	13,378,465	15,155,273	8,443,971	2,907,229	3,218,264	0	0
INVESTMENTS IN ASSOCIATED COMPANIES	0	0	0	0	0	0	0	0	0	0
OTHER PROPERTY AND INVESTMENTS	2,873,973	3,716,119	13,543,101	103,870,248	91,055,991	74,734,234	65,008,182	53,114,243	38,671,251	47,439,960
CURRENT AND ACCRUED ASSETS	70,765,154	83,999,041	108,805,457	114,548,661	154,971,192	162,661,145	191,919,203	200,085,511	189,052,677	155,295,604
UNAMORT. DEBT EXPENSE	1,374,270	2,348,867	2,381,302	4,425,875	4,971,497	4,709,058	5,075,027	6,179,064	9,913,233	10,062,931
OTHER DEFERRED DEBITS	8,125,252	24,474,683	23,392,194	34,245,903	30,786,538	114,494,624	263,611,171	280,531,251	414,115,322	427,761,705
TOTAL ASSETS AND OTHER DEBITS	$1,067,693,681	$1,231,418,784	$1,392,019,792	$1,747,762,417	$2,046,391,199	$2,261,847,203	$2,366,567,087	$2,477,776,126	$2,491,577,576	$2,487,015,317
LIABILITIES AND OTHER CREDITS										
COMMON STOCK ISSUED	$187,091,050	$223,667,480	$267,167,740	$317,729,430	$378,785,040	$440,834,960	$476,526,750	$499,968,070	$514,521,770	$533,189,090
PREFERRED STOCK ISSUED	96,601,900	145,014,750	144,264,850	141,722,700	229,202,000	227,000,200	225,549,600	225,257,600	189,201,000	84,378,200
PREMIUM ON CAPITAL STOCK	36,305,372	53,056,956	68,246,974	82,292,519	111,347,387	137,915,058	143,168,232	154,275,165	170,395,051	180,024,768
OTHER PAID-IN CAPITAL	542,585	734,856	1,006,161	1,835,708	2,350,931	2,900,948	3,690,493	3,764,813	721,149	(24,130)
INSTALLMENTS RECEIVED ON CAPITAL STOCK *	(55,155)	(81,600)	(504,234)	(112,113)	(10,060)	(131,549)	(214,605)	0	(95,000)	(250,700)
CAPITAL STOCK EXPENSE	0	0	0	0	0	0	0	0	0	0
RETAINED EARNINGS - UNAPPROPRIATED	125,203,823	124,003,569	122,172,726	153,109,823	163,773,873	171,376,344	113,677,895	129,169,607	104,176,164	112,259,522
UNAPPRO. UNDISTR. SUBSID. EARNINGS	(587,788)	(527,828)	(812,795)	(1,021,977)	(1,161,911)	(1,823,907)	(2,207,840)	(2,406,346)	(3,017,474)	1,111,223
RESTRICTED	0	0	0	0	0	0	0	0	0	0
APPROPRIATED	5,631	5,631	5,631	5,631	5,631	0	0	0	0	0
LONG-TERM DEBT(NET OF DISCOUNT)	471,566,114	522,699,922	586,153,339	794,967,338	911,985,746	959,942,936	996,133,394	1,009,560,167	1,089,563,710	1,019,663,591
CURRENT AND ACCRUED LIABILITIES	80,264,065	82,704,564	116,814,777	145,872,577	106,323,763	144,617,855	174,096,708	161,627,032	112,277,464	255,903,307
UNAMORTIZED PREMIUM ON DEBT	69,849	62,670	55,492	48,313	41,133	33,966	26,874	441,375	393,602	345,829
OTHER DEFERRED CREDITS	41,901,090	58,347,705	61,085,322	78,979,312	80,520,688	57,327,775	89,656,368	109,657,736	125,960,735	102,352,105
OPERATING RESERVES	5,328,429	1,631,072	1,752,187	903,218	2,231,865	871,624	1,883,015	2,828,662	2,089,712	3,210,177
ACCUMULATED DEFERRED INCOME TAXES	23,456,716	20,099,037	24,611,622	31,429,938	60,995,113	120,980,993	144,580,203	183,632,245	185,389,693	194,852,335
TOTAL LIABILITIES AND OTHER CREDITS	$1,067,693,681	$1,231,418,784	$1,392,019,792	$1,747,762,417	$2,046,391,199	$2,261,847,203	$2,366,567,087	$2,477,776,126	$2,491,577,576	$2,487,015,317
FINANCIAL AND PLANT RATIOS										
RATIO OF CURRENT & ACCRUED ASSETS/ LIABIL.(%)	88.17	101.57	93.14	78.53	145.75	112.48	110.24	123.79	168.38	60.69
LONG-TERM DEBT TO TOTAL UTILITY PLANT (%)	41.50	40.52	40.67	46.24	45.12	43.57	45.50	43.34	47.47	43.00
DEPREC. & AMORT. RESERVES TO TOT PLANT (%)	14.15	14.33	14.82	14.08	13.46	13.90	16.05	16.95	19.84	22.13
NUMBER OF TIMES FIXED CHARGES EARNED **	2.26	2.06	1.94	2.26	2.10	2.10	1.46	2.30	2.22	2.34

* INCLUDES REACQUIRED CAPITAL STOCK

**FIXED CHARGES INCLUDE INTEREST ON LONG TERM DEBT+AMORTIZATION OF DEBT DISCOUNT, PREMIUM AND EXPENSE (NET) AND OTHER INTEREST CHARGES.

TABLE PSP.2

PSP2
JULY 14TH, 1988

PUGET SOUND POWER & LIGHT COMPANY -- TOTAL COMPANY OPERATIONS
NET INCOME AND RETAINED EARNINGS

NET INCOME STATEMENT	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
GROSS INCOME										
OPERATING INCOME FROM WASH. ELECT. OPERATIONS	$68,404,150	$68,249,271	$78,416,348	$119,090,359	$111,430,166	$117,158,233	$154,055,300	$172,693,021	$169,019,173	$165,962,769
OTHER OPERATING INCOME (NET)	0	0	0	0	0	0	0	0	0	0
TOTAL OPERATING INCOME	68,404,150	68,249,271	78,416,348	119,090,359	111,430,166	117,158,233	154,055,300	172,693,021	169,019,173	165,962,769
NON-OPERATING INCOME (NET)	1,130,172	1,551,760	2,159,775	10,150,974	11,884,928	3,792,880	3,567,739	3,892,534	11,487,589	16,949,185
GROSS INCOME	69,534,322	69,801,031	80,576,123	129,241,333	123,315,094	120,951,113	157,623,039	176,585,555	180,506,762	182,911,954
DEDUCTIONS FROM GROSS INCOME										
INTEREST ON LONG-TERM DEBT	31,915,225	35,711,541	41,742,974	64,753,203	81,966,248	84,875,587	94,663,128	89,758,648	81,813,803	79,328,313
AMORT. OF DEBT DISCOUNT & PREMIUM (NET) *	213,525	222,661	236,538	402,674	(405,726)	330,295	426,940	449,803	944,918	1,947,157
OTHER INTEREST CHARGES	3,378,841	5,923,209	12,940,228	11,401,553	8,941,247	7,349,887	8,417,505	6,707,639	7,909,967	8,907,008
ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION -	11,262,745	17,292,249	26,819,363	45,726,953	67,918,356	72,032,721	40,682,100	47,083,276	25,774,901	1,713,264
MISCELLANEOUS INCOME DEDUCTIONS	599,816	895,395	1,033,332	1,700,464	1,503,956	(1,555,989)	(342,308)	818,837	5,364,576	(25,981,595)
TOTAL INCOME DEDUCTIONS	24,844,662	25,460,557	29,133,709	32,530,941	24,087,369	18,967,059	62,483,165	50,651,651	70,258,363	62,487,619
INCOME BEFORE EXTRAORDINARY ITEMS	44,689,660	44,340,474	51,442,414	96,710,392	99,227,725	101,984,054	95,139,874	125,933,904	110,248,399	120,424,335
EXTRAORDINARY ITEMS AFTER TAXES	0	0	0	0	0	0	(47,579,447)	0	0	0
NET INCOME	$44,689,660	$44,340,474	$51,442,414	$96,710,392	$99,227,725	$101,984,054	$47,560,427	$125,933,904	$110,248,399	$120,424,335
UNAPPROPRIATED RETAINED EARNINGS STATEMENT										
BALANCE AT BEGINNING OF YEAR	$114,446,928	$125,203,823	$124,003,569	$122,172,726	$153,109,825	$163,773,873	$171,376,344	$113,677,895	$129,169,607	$104,176,164
CREDITS: NET INCOME	44,689,660	44,280,514	51,727,381	96,919,575	94,718,619	102,646,050	47,944,360	$126,132,410	110,859,527	116,295,638
OTHER CREDITS	2,000	0	0	0	0	0	0	0	0	0
TOTAL CREDITS	44,691,660	44,280,514	51,727,381	96,919,575	94,718,619	102,646,050	47,944,360	126,132,410	110,859,527	116,295,638
DEBITS: DIVIDENDS DECLARED	32,691,247	42,067,236	51,437,030	63,142,590	78,811,497	93,381,801	105,599,293	110,640,698	111,682,240	103,056,173
OTHER DEBITS	1,243,518	3,413,532	2,121,194	2,839,886	5,243,074	1,661,778	43,516	0	24,170,730	5,156,107
TOTAL DEBITS	33,934,765	45,480,768	53,558,224	65,982,476	84,054,571	95,043,579	105,642,809	110,640,698	135,852,970	108,212,280
BALANCE AT END OF YEAR	$125,203,823	$124,003,569	$122,172,726	$153,109,825	$163,773,873	$171,376,344	$113,677,895	$129,169,607	$104,176,164	$112,259,522
UNAPP. UNDIST. SUBSIDIARY EARNINGS STATEMENT										
BALANCE AT BEGINNING OF YEAR	($585,788)	($587,788)	($527,828)	($812,795)	($1,021,978)	($1,161,911)	($1,823,907)	($2,207,840)	($2,406,346)	($3,017,474)
EQUITY IN EARNINGS FOR YEAR	(2,000)	59,960	(284,967)	(209,183)	(139,933)	(661,996)	(383,933)	(198,506)	(611,128)	4,128,697
DIVIDENDS RECEIVED - DR.	0	0	0	0	0	0	0	0	0	0
OTHER CHANGES	0	0	0	0	0	0	0	0	0	0
BALANCE AT END OF YEAR	($587,788)	($527,828)	($812,795)	($1,021,978)	($1,161,911)	($1,823,907)	($2,207,840)	($2,406,346)	($3,017,474)	$1,111,223
APP. & RESTRICTED RETAINED EARNINGS STATEMENT										
BALANCE AT END OF YEAR	$5,631	$5,631	$5,631	$5,631	$5,631	$0	$0	$0	$0	$0

* INCLUDES AMORTIZATION OF LOSS AND GAIN
ON REACQUIRED DEBT

TABLE PSP.3

PSP3
JULY 11TH, 1988

PUGET SOUND POWER & LIGHT COMPANY -- TOTAL COMPANY OPERATIONS
OPERATING REVENUE AND EXPENSES

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
ELECTRIC PLANT IN SERVICE										
INTANGIBLE	$370,881	$971,869	$985,314	$2,432,323	$2,636,490	$2,756,902	$2,773,461	$10,258,929	$11,893,518	$13,440,699
TANGIBLE	928,990,049	1,021,613,714	1,093,575,138	1,194,501,393	1,264,666,430	1,365,884,225	1,750,605,139	1,862,962,228	2,224,974,164	2,301,553,293
TOTAL ELECTRIC PLANT IN SERVICE	$929,360,930	$1,022,585,583	$1,094,560,452	$1,196,933,716	$1,267,302,920	$1,368,641,127	$1,753,378,600	$1,873,221,157	$2,236,867,682	$2,314,993,992
ACCUMULATED PROVISION FOR DEPREC. & AMORT.	$160,778,805	$184,833,478	$213,582,739	$242,057,861	$272,007,559	$306,331,721	$351,418,957	$394,934,861	$455,469,583	$524,627,540
NET OPERATING INCOME STATEMENT - ELECTRIC										
OPERATING REVENUES - ELECTRIC										
RESIDENTIAL SALES	$122,640,563	$147,964,017	$178,499,128	$194,198,003	$225,180,568	$274,423,050	$360,498,389	$392,761,241	$398,256,423	$385,371,693
COMMERCIAL AND INDUSTRIAL SALES	91,753,967	114,451,234	142,283,147	166,394,236	187,166,583	201,148,998	254,649,167	281,018,618	304,912,000	323,125,771
PUBLIC STREET AND HIGHWAY LIGHTING	2,790,928	3,127,501	3,490,112	3,822,042	4,572,910	5,259,617	6,654,323	7,136,358	7,302,283	7,393,255
OTHER SALES TO PUBLIC AUTHORITIES	0	0	0	0	0	0	0	0	0	0
SALES TO RAILROADS AND RAILWAYS	0	0	0	0	0	0	0	0	0	0
INTERDEPARTMENTAL SALES	0	0	0	0	0	0	0	0	0	0
UNBILLED REVENUES *	0	0	0	8,927,500	9,839,800	13,580,900	5,776,624	7,101,019	(16,980,121)	(4,055,274)
TOTAL SALES TO ULTIMATE CONSUMERS	217,185,458	265,542,752	324,272,387	373,341,781	426,759,861	494,412,565	627,578,503	688,017,236	693,490,585	711,835,445
SALES FOR RESALE	26,969,578	16,323,103	29,727,577	29,338,688	37,102,960	17,392,662	24,819,012	20,779,397	15,247,958	9,616,604
TOTAL SALES OF ELECTRICITY	244,155,036	281,865,855	353,999,964	402,680,469	463,862,821	511,805,227	652,397,515	708,796,633	708,738,543	721,452,049
OTHER OPERATING REVENUES	10,473,648	5,722,104	4,321,362	6,066,896	3,834,370	6,705,976	4,837,066	5,311,510	6,025,022	7,907,454
TOTAL ELECTRIC OPERATING REVENUES	254,628,684	287,587,959	358,321,326	408,747,365	467,697,191	518,511,203	657,234,581	714,108,143	714,763,565	729,359,503
OPERATING EXPENSES - ELECTRIC										
ENERGY PRODUCTION - STEAM	19,958,476	26,716,739	32,594,681	32,383,447	30,641,329	31,258,270	48,881,512	49,166,738	55,889,145	61,940,320
- NUCLEAR	0	0	0	0	0	0	0	0	0	0
- HYDROELECTRIC	2,010,528	2,148,960	2,496,122	2,965,703	4,438,599	3,762,723	3,876,465	4,105,583	5,090,406	3,599,156
- INTERNAL COMBUSTION	2,148,999	4,130,443	891,043	1,879,746	6,074,344	5,088,910	6,045,149	7,404,074	5,982,157	6,563,425
PURCHASED POWER	52,389,302	66,507,236	107,341,770	74,972,746	95,700,190	131,302,707	134,039,880	158,859,788	132,994,567	146,988,031
OTHER POWER SUPPLY	571,792	572,926	612,794	879,401	10,979,111	(12,560,440)	12,435,772	(15,732,305)	6,399,108	(8,206,339)
TOTAL PRODUCTION EXPENSES	77,079,097	100,076,304	143,936,410	113,081,043	147,833,573	158,852,170	205,278,778	203,803,878	206,355,383	210,884,593
TRANSMISSION	9,131,036	9,907,293	10,305,622	13,853,972	15,342,891	17,774,458	26,234,860	28,705,618	28,063,803	31,795,736
DISTRIBUTION	14,936,936	18,609,562	18,774,518	22,449,385	25,915,605	24,980,493	25,411,420	25,846,438	26,317,416	32,134,862
CUSTOMER ACCOUNTS	8,433,484	9,265,822	11,424,970	12,893,521	14,769,779	15,314,880	17,323,868	19,883,177	19,457,236	18,652,666
CUSTOMER SERVICE AND INFORMATION	1,347,145	1,614,338	2,110,921	3,523,919	4,328,420	5,263,027	6,773,947	6,521,831	8,560,374	9,784,024
SALES	0	0	0	0	0	0	0	0	0	0
ADMINISTRATIVE AND GENERAL	17,251,694	19,686,117	24,574,766	31,623,338	35,207,503	39,919,755	44,487,945	43,526,397	48,528,569	54,881,237
TOTAL ELECTRIC OPERATION & MAINT. EXPENSE	128,179,392	159,159,436	211,127,207	197,425,178	243,397,771	262,104,783	325,510,818	328,287,339	337,282,781	358,133,118
DEPRECIATION & AMORTIZATION	24,403,887	29,539,170	33,740,848	35,266,376	38,100,376	42,386,471	61,933,048	75,412,619	87,092,339	93,974,752
TAXES OTHER THAN FEDERAL INCOME TAXES	21,047,255	25,181,081	28,329,924	32,636,452	37,001,878	43,402,716	54,861,415	59,735,264	67,003,272	70,961,526
FEDERAL INCOME TAXES	1,210,800	1,723,000	1,215,500	3,216,000	(2,073,200)	(4,022,000)	5,990,000	7,530,000	12,397,000	18,328,000
INVESTMENT TAX CREDIT ADJUSTMENTS (NET)	2,908,000	7,398,900	2,199,000	15,244,000	(5,018,000)	(21,884,000)	19,646,000	25,501,000	22,652,000	17,000,000
FEDERAL INCOME TAXES DEFERRED (NET)	8,475,200	(3,662,900)	3,292,500	5,869,000	44,858,200	79,365,000	35,238,000	44,948,900	19,317,000	4,995,000
GAINS/LOSSES FROM DISP. OF UTILITY PLANT	0	0	0	0	0	0	0	0	0	4,338
TOTAL OPERATING EXPENSES	186,224,534	219,338,687	279,904,979	289,657,006	356,267,025	401,352,970	503,179,281	541,415,122	545,744,392	563,396,734
NET OPERATING INCOME	$68,404,150	$68,249,272	$78,416,347	$119,090,359	$111,430,166	$117,158,233	$154,055,300	$172,693,021	$169,019,173	$165,962,769

* UNBILLED REVENUES ARE INCORPORATED IN OTHER SOURCES OF REVENUE.

TABLE PSP.4

PSP4
JULY 11TH, 1988

PUGET SOUND POWER & LIGHT COMPANY -- TOTAL COMPANY OPERATIONS
SOURCE AND DISPOSITION OF ENERGY

SOURCES OF ENERGY -- MEGAWATT HOURS	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
GENERATION:										
STEAM	2,287,082	2,552,717	2,600,449	2,590,830	1,856,648	2,077,681	3,318,437	3,581,131	4,080,661	4,390,526
NUCLEAR	0	0	0	0	0	0	0	0	0	0
HYDROELECTRIC	1,266,046	1,198,894	1,430,952	1,333,377	1,349,522	1,360,725	1,279,594	1,156,905	1,336,565	1,130,415
INTERNAL COMBUSTION & OTHER	3,355	15,454	1,973	11,406	2,094	3,862	4,101	8,040	5,928	10,138
TOTAL GENERATION	3,556,483	3,767,065	4,033,374	3,935,613	3,208,264	3,442,268	4,602,132	4,746,076	5,423,154	5,531,079
ENERGY TRANS. FROM/TO PLANTS OUTSIDE STATE:										
RECEIVED	0	0	0	0	0	0	0	0	0	0
DELIVERED	0	0	0	0	0	0	0	0	0	0
TOTAL ENERGY TRANSFERRED	0	0	0	0	0	0	0	0	0	0
PURCHASES:										
FROM PRIVATELY-OWNED ELECTRIC UTILITIES	812,436	1,215,557	1,273,566	305,854	601,027	758,691	771,426	1,459,198	602,076	1,258,494
FROM MUNICIPAL & OTHER PUBLIC AUTHORITIES	10,934,204	10,290,809	10,138,933	12,089,019	13,023,508	12,152,143	10,798,653	11,006,113	11,123,557	10,211,929
FROM OTHER SOURCES	0	0	0	1	1,213	39,653	57,965	63,951	15,383	13,626
TOTAL PURCHASES FOR RESALE	11,746,640	11,506,366	11,412,499	12,394,874	13,625,748	12,950,487	11,628,044	12,529,262	11,741,016	11,484,049
INTERCHANGES - IN	141,508	159,084	439,773	436,103	361,879	(192,033)	824,558	1,145,336	497,164	934,666
- OUT	27,918	357,660	(100,327)	90,790	(72,664)	29,922	442,935	1,306,925	332,216	1,025,658
NET INTERCHANGES	113,590	(198,576)	540,100	345,313	434,543	(221,955)	381,623	(161,589)	164,948	(90,992)
TOTAL PURCHASED POWER	11,860,230	11,307,790	11,952,599	12,740,187	14,060,291	12,728,532	12,009,667	12,367,673	11,905,964	11,393,057
TRANSMISSION FOR/BY OTHERS:										
RECEIVED	904,512	1,053,791	7,665,306	1,192,746	839,482	770,171	876,139	1,094,205	988,176	1,116,605
DELIVERED	904,512	1,053,791	7,665,306	1,192,746	839,482	770,171	876,139	1,094,205	988,176	1,116,605
TOTAL TRANSMISSION	0	0	0	0	0	0	0	0	0	0
TOTAL AVAILABLE ENERGY	15,416,713	15,074,855	15,985,973	16,675,800	17,268,555	16,170,800	16,611,799	17,113,749	17,329,118	16,924,136
DISPOSITION OF ENERGY -- MEGAWATT HOURS										
RESIDENTIAL SALES	6,649,874	7,393,156	7,438,940	7,269,005	7,687,058	7,246,630	7,621,599	7,853,059	7,626,084	7,490,067
COMMERCIAL AND INDUSTRIAL SALES	5,107,146	5,656,428	5,834,918	5,958,721	6,141,581	6,158,860	6,664,011	7,125,333	7,357,743	7,784,567
PUBLIC STREET & HIGHWAY LIGHTING	67,971	66,512	65,346	65,012	64,188	60,591	60,664	62,092	61,515	62,541
OTHER SALES TO PUBLIC AUTHORITIES	0	0	0	0	0	0	0	0	0	0
SALES TO RAILROADS AND RAILWAYS	0	0	0	0	0	0	0	0	0	0
INTERDEPARTMENTAL SALES	0	0	0	0	0	0	0	0	0	0
UNBILLED MWH *	0	0	0	66,425	49,990	97,275	673	70,108	(224,274)	(82,412)
TOTAL SALES TO ULTIMATE CONSUMERS	11,824,991	13,116,096	13,339,204	13,359,163	13,942,817	13,563,356	14,346,947	15,110,592	14,821,068	15,254,763
SALES FOR RESALE	2,173,106	861,195	1,426,327	2,053,853	2,239,979	1,434,487	1,346,015	861,802	1,397,326	514,119
ENERGY FURNISHED WITHOUT CHARGE	376	375	375	391	373	373	374	367	374	371
ENERGY USED BY COMPANY	16,136	14,642	15,207	22,483	22,647	29,367	33,062	31,767	29,919	29,030
ENERGY LOSSES	1,402,104	1,082,547	1,204,860	1,239,910	1,062,739	1,143,217	885,400	1,109,221	1,080,431	1,125,853
TOTAL DISPOSITION OF ENERGY	15,416,713	15,074,855	15,985,973	16,675,800	17,268,555	16,170,800	16,611,798	17,113,749	17,329,118	16,924,136

* IN 1978-1980, UNBILLED MWH WERE INCLUDED IN OTHER SOURCES OF ENERGY DISPOSITION.

TABLE PSP.5

PSP5
JULY 11TH, 1988

PUGET SOUND POWER & LIGHT COMPANY -- TOTAL COMPANY OPERATIONS
SALES, REVENUE AND CUSTOMERS

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
AVERAGE NUMBER OF ELECTRIC CUSTOMERS PER MONTH										
RESIDENTIAL	430,806	459,220	480,276	496,995	507,643	518,733	534,496	551,005	569,265	587,065
COMMERCIAL AND INDUSTRIAL	46,972	50,637	52,820	55,375	57,002	59,714	62,092	64,391	67,267	70,243
PUBLIC STREET & HIGHWAY LIGHTING	914	932	968	1,039	1,057	1,081	1,110	1,132	1,149	1,184
OTHER PUBLIC AUTHORITIES	0	0	0	0	0	0	0	0	0	0
RAILROADS AND RAILWAYS	0	0	0	0	0	0	0	0	0	0
INTERDEPARTMETAL	0	0	0	0	0	0	0	0	0	0
TOTAL ULTIMATE CONSUMERS	478,692	510,789	534,064	553,409	565,702	579,528	597,698	616,528	637,681	658,492
RESALE	22	21	22	20	9	9	9	9	9	10
TOTAL ELECTRIC CUSTOMERS	478,714	510,810	534,086	553,429	565,711	579,537	597,707	616,537	637,690	658,502
AVERAGE ELECTRIC REVENUE PER MWH SOLD										
RESIDENTIAL	$18.44	$20.01	$24.00	$26.72	$29.29	$37.87	$47.30	$50.01	$52.22	$51.45
COMMERCIAL AND INDUSTRIAL	17.97	20.23	24.38	27.92	30.48	32.66	38.21	39.44	41.44	41.51
PUBLIC STREET & HIGHWAY LIGHTING	41.06	47.02	53.41	58.79	71.24	86.81	109.69	114.93	118.71	118.21
OTHER PUBLIC AUTHORITIES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RAILROADS AND RAILWAYS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
INTERDEPARTMENTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RESALE	12.41	18.95	20.84	14.28	16.56	12.12	18.44	24.11	10.91	18.71
AVERAGE REVENUE PER ELECTRIC CUSTOMER										
RESIDENTIAL	$284.68	$322.21	$371.66	$390.74	$443.58	$529.03	$674.46	$712.81	$699.60	$656.44
COMMERCIAL AND INDUSTRIAL	1,953.38	2,260.23	2,693.74	3,004.86	3,283.51	3,368.54	4,101.16	4,364.25	4,532.86	4,600.11
PUBLIC STREETS & HIGHWAY LIGHTING	3,053.53	3,355.69	3,605.49	3,678.58	4,326.31	4,865.51	5,994.89	6,304.20	6,355.34	6,244.30
OTHER PUBLIC AUTHORITIES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RAILROADS AND RAILWAYS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
INTERDEPARTMENTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RESALE	1,225,889.91	777,290.62	1,351,253.50	1,466,934.40	4,122,551.11	1,932,518.00	2,757,668.00	2,308,821.89	1,694,217.56	961,660.40
AVERAGE MWH SOLD PER ELECTRIC CUSTOMER										
RESIDENTIAL	15.44	16.10	15.49	14.63	15.14	13.97	14.26	14.25	13.40	12.76
COMMERCIAL AND INDUSTRIAL	108.73	111.71	110.47	107.61	107.74	103.14	107.32	110.66	109.38	110.82
PUBLIC STREET & HIGHWAY LIGHTING	74.37	71.36	67.51	62.57	60.73	56.05	54.65	54.85	53.54	52.82
OTHER PUBLIC AUTHORITIES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RAILROADS AND RAILWAYS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
INTERDEPARTMENTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RESALE	98,777.55	41,009.29	64,833.05	102,692.65	248,886.56	159,387.44	149,557.22	95,755.78	155,258.44	51,411.90

TABLE PSP.6

PSP6
JULY 11TH, 1988

PUGET SOUND POWER & LIGHT COMPANY -- TOTAL COMPANY OPERATIONS
PLANT AND ELECTRIC DIVISION STATISTICS

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
PLANT STATISTICS										
GENERATING CAPACITY (MW)*										
STEAM	539.0	537.0	537.0	537.0	537.3	537.3	731.2	733.5	928.0	928.0
NUCLEAR	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
HYDROELECTRIC	336.7	336.7	309.7	309.7	309.7	309.7	309.3	297.4	297.4	297.4
INTERNAL COMBUSTION AND OTHER	98.8	98.8	98.8	454.8	454.8	455.2	702.4	686.7	686.7	686.7
TOTAL GENERATING CAPACITY	974.4	972.5	945.5	1,301.5	1,301.8	1,302.2	1,742.9	1,717.6	1,912.1	1,912.1
MILES OF TRANSMISSION POLE LINES (ROUNDED)	1,012	982	982	1,593	1,641	1,784	2,099	2,467	2,473	2,482
NUMBER OF LINE TRANSFORMERS	179,257	188,827	193,395	199,552	202,390	205,377	211,748	217,098	220,692	224,987
CAPACITY OF ALL LINE TRANSFORMERS-KVA-ROUNDED	6,451,449	7,018,319	7,271,644	7,559,794	7,749,500	7,938,000	8,270,000	8,604,000	8,901,000	9,198,000
NUMBER OF METERS	538,701	568,770	600,933	634,080	637,577	654,317	671,270	690,867	714,088	732,908
ELECTRIC DIVISION STATISTICS										
TOTAL PLANT IN SERVICE PER DOLLAR OF OP. REV.	$3.65	$3.56	$3.05	$2.93	$2.71	$2.64	$2.67	$2.62	$3.13	$3.17
PERCENT OF OPERATING REVENUES:										
OPERATING & MAINTENANCE EXPENSES	50.34	55.34	58.92	48.30	52.04	50.55	49.53	45.97	47.19	49.10
TOTAL OPERATING EXPENSES	73.14	76.27	78.12	70.86	76.17	77.40	76.56	75.82	76.35	77.25
FEDERAL INCOME TAX - NET	1.62	3.17	0.95	4.52	(1.52)	(5.00)	3.90	4.63	4.90	4.84
FEDERAL INCOME TAX - DEFERRED	3.33	(1.27)	0.92	1.44	9.59	15.31	5.36	6.29	2.70	0.68
NET OPERATING INCOME	26.86	23.73	21.88	29.14	23.83	22.60	23.44	24.18	23.65	22.75
DEP./AMORT. EXP. TO TOTAL PLNT IN SERVICE (%)	2.63	2.89	3.08	2.95	3.01	3.10	3.53	4.03	3.89	4.06
INTANGIBLE TO TOTAL PLANT IN SERVICE (%)	0.04	0.10	0.09	0.20	0.21	0.20	0.16	0.55	0.53	0.58
ENERGY PRODUCTION EXPENSES PER GENERATED MWH										
STEAM	$8.73	$10.47	$12.53	$12.50	$16.50	$15.04	$14.73	$13.73	$13.70	$14.11
NUCLEAR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
HYDROELECTRIC	1.59	1.79	1.74	2.22	3.29	2.77	3.03	3.55	3.81	3.18
OTHER	640.54	267.27	451.62	164.80	2,900.83	1,317.69	1,474.07	920.90	1,009.14	647.41
COST PER MWH PURCHASES ($)	$4.42	$5.88	$8.98	$5.88	$6.81	$10.32	$11.16	$12.84	$11.17	$12.90
MWH PURCHASED TO TOTAL AVAILABLE (%)	76.93	75.01	74.77	76.40	81.42	78.71	72.30	72.27	68.70	67.32
MWH LOST TO TOTAL AVAILABLE (%)	9.09	7.18	7.54	7.44	6.15	7.07	5.33	6.48	6.23	6.65

*IN COMPLIANCE WITH F.P.C. ORDER NO. 269, DATED AUGUST 1, 1974, REPORTING REQUIREMENTS ELIMINATED GENERATING STATIONS OF CERTAIN MINIMUM CAPACITIES.

TABLE WWP.1

WWP1
JULY 11TH, 1988

THE WASHINGTON WATER POWER COMPANY -- TOTAL COMPANY OPERATIONS
BALANCE SHEET -- ASSETS AND LIABILITIES

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
ASSETS AND OTHER DEBITS										
TOTAL UTILITY PLANT	$645,753,464	$698,739,259	$773,241,638	$909,439,558	$1,108,695,602	$1,213,903,136	$1,294,280,262	$1,389,486,885	$1,256,649,753	$1,285,079,210
LESS: ACCUM. PROV. FOR DEPREC. & AMORT.	119,240,316	126,356,891	136,886,104	148,260,533	160,282,890	167,239,642	186,571,668	205,583,543	221,577,039	249,503,267
NET UTILITY PLANT	526,513,148	572,382,368	636,355,534	761,179,025	948,412,712	1,046,663,494	1,107,708,594	1,183,903,342	1,035,072,714	1,035,575,943
NET NUCLEAR FUEL	0	0	0	0	0	2,941,784	3,303,679	3,703,236	0	0
INVESTMENTS IN ASSOCIATED COMPANIES	0	0	0	0	0	0	0	0	0	0
OTHER PROPERTY AND INVESTMENTS	24,045,383	28,234,733	33,669,719	41,914,416	49,591,093	53,899,007	54,284,647	58,226,721	186,852,947	189,229,828
CURRENT AND ACCRUED ASSETS	26,538,894	35,047,472	34,025,135	40,990,800	52,669,199	55,759,297	57,209,953	67,883,919	96,734,856	80,703,289
UNAMORT. DEBT EXPENSE	1,894,785	1,766,614	1,643,620	2,942,975	2,762,248	3,714,601	4,976,376	4,792,563	15,219,341	15,070,408
OTHER DEFERRED DEBITS	2,283,923	5,850,132	10,009,654	9,934,636	15,739,511	64,334,356	64,016,178	66,496,939	60,406,656	82,912,474
TOTAL ASSETS AND OTHER DEBITS	$581,276,133	$643,281,319	$715,703,662	$856,961,852	$1,069,174,763	$1,227,312,539	$1,291,499,427	$1,385,006,720	$1,394,286,514	$1,403,491,942
LIABILITIES AND OTHER CREDITS										
COMMON STOCK ISSUED	$158,834,373	$162,117,606	$194,438,531	$238,666,478	$316,185,662	$362,031,658	$377,502,647	$393,230,127	$405,857,092	$408,282,375
PREFERRED STOCK ISSUED	25,000,000	25,000,000	55,000,000	70,000,000	95,000,000	95,000,000	140,000,000	185,000,000	175,000,000	175,000,000
PREMIUM ON CAPITAL STOCK	0	0	0	0	0	0	0	0	0	0
OTHER PAID-IN CAPITAL	0	0	0	0	0	0	(167,319)	(167,319)	(684,033)	(684,033)
INSTALLMENTS RECEIVED ON CAPITAL STOCK	65,651	57,498	66,173	82,475	52,746	49,805	25,950	35,456	10,310	94
CAPITAL STOCK EXPENSE	(441,156)	(441,156)	(957,870)	(1,379,508)	(1,858,296)	(2,016,200)	(2,395,787)	(3,417,057)	(6,348,759)	(6,380,166)
RETAINED EARNINGS - UNAPPROPRIATED	45,767,394	50,005,610	48,478,707	58,447,099	67,990,648	76,818,547	75,376,765	81,970,225	36,622,068	30,826,781
UNAPPRO. UNDISTR. SUBSID. EARNINGS	7,559,253	9,409,431	12,220,193	14,005,170	16,171,568	17,441,219	18,584,636	23,886,864	27,000,411	30,844,276
RESTRICTED	2,168,257	1,626,217	1,084,177	542,137	0	0	0	0	0	0
APPROPRIATED	0	0	955,827	955,827	955,827	955,827	955,827	955,827	955,827	1,548,121
LONG-TERM DEBT(NET OF DISCOUNT)	294,558,000	343,364,000	353,006,420	405,888,111	476,480,394	567,167,734	551,928,491	538,797,099	591,229,777	579,612,450
CURRENT AND ACCRUED LIABILITIES	35,528,870	35,715,615	29,553,468	39,507,027	48,637,302	47,187,857	51,212,331	54,677,396	46,558,550	53,253,736
UNAMORTIZED PREMIUM ON DEBT	804,690	754,008	704,886	655,727	609,521	575,456	541,227	506,923	473,778	440,579
OTHER DEFERRED CREDITS	11,430,801	15,672,490	21,153,150	28,821,780	46,216,897	42,519,191	46,201,135	62,656,907	75,305,560	52,688,385
OPERATING RESERVES	0	0	0	0	0	0	1,043,759	683,456	679,213	495,720
ACCUMULATED DEFERRED INCOME TAXES	0	0	0	769,529	2,732,494	19,581,445	30,689,765	46,190,816	41,626,720	77,563,624
TOTAL LIABILITIES AND OTHER CREDITS	$581,276,133	$643,281,319	$715,703,662	$856,961,852	$1,069,174,763	$1,227,312,539	$1,291,499,427	$1,385,006,720	$1,394,286,514	$1,403,491,942
FINANCIAL AND PLANT RATIOS										
RATIO OF CURRENT & ACCRUED ASSETS/ LIABIL.(%)	74.70	98.13	115.13	103.76	108.29	118.16	111.71	124.15	207.77	151.54
LONG-TERM DEBT TO TOTAL UTILITY PLANT (%)	45.61	49.14	45.65	44.63	42.98	46.72	42.64	38.78	47.05	45.10
DEPREC. & AMORT. RESERVES TO TOT PLANT (%)	18.47	18.08	17.70	16.30	14.46	13.78	14.42	14.80	17.63	19.42
NUMBER OF TIMES FIXED CHARGES EARNED *	2.48	2.24	2.07	2.32	2.38	2.27	2.19	2.46	1.55	2.33

* FIXED CHARGES INCLUDE INTEREST ON LONG TERM DEBT+AMORTIZATION OF DEBT DISCOUNT, PREMIUM AND EXPENSE (NET) AND OTHER INTEREST CHARGES.

TABLE WWP.2

WWP2
JULY 14TH, 1988

THE WASHINGTON WATER POWER COMPANY -- TOTAL COMPANY OPERATIONS
NET UTILITY INCOME AND RETAINED EARNINGS

NET INCOME STATEMENT	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
GROSS UTILITY INCOME										
OPERATING INCOME FROM WASH. ELECT. OPERATIONS	$20,381,927	$20,210,817	$21,924,377	$31,477,741	$41,205,560	$43,965,205	$55,136,334	$56,859,492	$55,998,139	$54,546,948
OTHER OPERATING INCOME (NET)	19,418,046	20,228,087	19,810,481	25,775,408	32,038,406	30,672,244	34,590,007	41,415,487	40,479,362	37,180,898
TOTAL UTILITY OPERATING INCOME	39,799,973	40,438,904	41,734,858	57,253,149	73,243,966	74,637,449	89,726,341	98,274,979	96,477,501	91,727,846
NON-OPERATING INCOME (NET)	4,705,838	4,086,696	5,018,099	12,621,033	12,812,187	8,104,207	7,560,240	6,992,052	5,160,757	5,627,281
GROSS UTILITY INCOME	44,505,811	44,525,600	46,752,957	69,874,182	86,056,153	82,741,656	97,286,581	105,267,031	101,638,258	97,355,127
DEDUCTIONS FROM GROSS INCOME										
INTEREST ON LONG-TERM DEBT	18,913,337	21,971,737	25,222,979	33,899,554	40,214,773	50,753,640	54,451,811	54,206,260	52,843,788	50,024,609
AMORT. OF DEBT DISCOUNT & PREMIUM (NET) *	79,059	77,489	73,872	351,209	564,477	547,484	356,460	719,329	613,889	885,100
OTHER INTEREST CHARGES	123,124	129,962	226,538	805,143	2,355,870	1,924,205	569,264	691,015	304,609	466,526
ALLOWANCE FOR FUNDS USED DURING CONSTN (CR)	3,924,543	5,430,416	6,475,965	15,220,880	22,549,973	39,506,273	30,091,125	33,185,086	20,746,979	1,253,509
MISCELLANEOUS INCOME DEDUCTIONS	1,065,327	353,047	354,726	3,751,713	6,082,931	1,315,360	6,083,567	1,433,545	6,208,608	(20,881,669)
TOTAL INCOME DEDUCTIONS	16,256,304	17,101,819	19,402,150	23,586,739	26,668,078	15,034,416	31,369,977	23,865,063	39,223,915	29,241,057
INCOME BEFORE EXTRAORDINARY ITEMS	28,249,507	27,423,781	27,350,807	46,287,443	59,388,075	67,707,240	65,916,604	81,401,968	62,414,343	68,114,070
EXTRAORDINARY ITEMS AFTER TAXES	0	0	0	0	0	0	0	0	(32,856,525)	0
NET UTILITY INCOME	$28,249,507	$27,423,781	$27,350,807	$46,287,443	$59,388,075	$67,707,240	$65,916,604	$81,401,968	$29,557,818	$68,114,070
UNAPPROPRIATED RETAINED EARNINGS STATEMENT										
BALANCE AT BEGINNING OF YEAR **	$35,605,901	$45,767,394	$49,049,783	$48,478,707	$58,447,099	$67,990,649	$76,818,547	$75,376,765	$81,970,225	$39,104,620
CREDITS: NET INCOME	24,418,497	23,606,903	24,783,853	40,561,287	53,072,792	61,602,489	60,560,577	76,099,739	26,444,271	64,270,205
OTHER CREDITS	3,133,540	1,966,700	1,988,000	3,941,179	4,148,886	4,835,100	4,212,610	0	0	0
TOTAL CREDITS	27,552,037	25,573,603	26,771,853	44,502,466	57,221,678	66,437,589	64,773,187	76,099,739	26,444,271	64,270,205
DEBITS: DIVIDENDS DECLARED	17,390,544	21,335,384	27,342,929	34,534,074	47,678,128	57,609,690	66,214,969	69,506,279	71,792,428	71,955,750
OTHER DEBITS	0	0	0	0	0	0	0	0	0	592,294
TOTAL DEBITS	17,390,544	21,335,384	27,342,929	34,534,074	47,678,128	57,609,690	66,214,969	69,506,279	71,792,428	72,548,044
BALANCE AT END OF YEAR	$45,767,394	$50,005,613	$48,478,707	$58,447,099	$67,990,649	$76,818,548	$75,376,765	$81,970,225	$36,622,068	$30,826,781
UNAPP. UNDIST. SUBSIDIARY EARNINGS STATEMENT										
BALANCE AT BEGINNING OF YEAR	$6,861,783	$7,559,253	$9,409,431	$12,220,193	$14,005,170	$16,171,568	$17,441,219	$18,584,636	$23,886,864	$27,000,411
EQUITY IN EARNINGS FOR YEAR	3,288,970	3,816,878	4,798,762	5,184,116	5,773,146	6,104,751	5,356,027	5,302,228	3,113,547	3,843,865
DIVIDENDS RECEIVED - DR.	2,591,500	1,966,700	1,988,000	3,514,500	3,606,800	4,835,100	4,082,500	0	0	0
OTHER CHANGES	0	0	0	115,361	52	0	(130,110)	0	0	0
BALANCE AT END OF YEAR	$7,559,253	$9,409,431	$12,220,193	$14,005,170	$16,171,568	$17,441,219	$18,584,636	$23,886,864	$27,000,411	$30,844,276
APP. & RESTRICTED RETAINED EARNINGS STATEMENT										
BALANCE AT END OF YEAR	$2,168,257	$1,626,217	$2,040,004	$1,497,964	$0	$955,827	$955,827	$955,827	$955,827	$1,548,121

* INCLUDES AMORTIZATIOIN OF LOSS AND GAIN ON REACQUIRED DEBT

** RETAINED EARNINGS BEGINNING BALANCE FOR 1980 AND 1987 DOES NOT EQUAL ENDING BALANCE FOR 1979 AND 1986 DUE TO ADJUSTMENTS PER COMPANY.

TABLE WWP.3

WWP3
JULY 11TH, 1988

THE WASHINGTON WATER POWER COMPANY -- TOTAL COMPANY OPERATIONS
OPERATING REVENUE AND EXPENSES

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
ELECTRIC PLANT IN SERVICE										
INTANGIBLE	$193,078	$193,078	$193,078	$193,078	$193,078	$193,078	$193,078	$193,078	$578,078	$578,078
TANGIBLE	549,623,698	518,864,373	548,378,021	576,462,269	604,642,384	721,664,163	930,034,425	951,408,746	1,137,696,193	1,161,531,719
TOTAL ELECTRIC PLANT IN SERVICE	$549,816,776	$519,057,451	$548,571,099	$576,655,347	$604,835,462	$721,857,241	$930,227,503	$951,601,824	$1,138,274,271	$1,162,109,797
ACCUMULATED PROVISION FOR DEPREC. & AMORT.	$96,354,319	$101,691,658	$110,125,218	$119,332,465	$128,934,481	$138,765,360	$155,682,192	$165,971,190	$188,497,143	$213,623,401
NET OPERATING INCOME STATEMENT - ELECTRIC										
OPERATING REVENUES - ELECTRIC										
RESIDENTIAL SALES	$42,521,736	$48,820,177	$55,351,667	$64,313,146	$78,924,044	$86,527,710	$114,606,943	$129,698,932	$126,101,981	$132,046,754
COMMERCIAL AND INDUSTRIAL SALES	41,646,695	46,343,638	54,343,751	65,863,517	74,390,432	82,952,486	108,028,059	121,030,701	127,775,017	138,999,474
PUBLIC STREET AND HIGHWAY LIGHTING	1,380,206	1,453,577	1,576,837	1,921,859	2,401,241	2,526,061	2,737,983	2,690,235	2,852,811	2,806,275
OTHER SALES TO PUBLIC AUTHORITIES	0	0	0	0	0	0	0	0	0	0
SALES TO RAILROADS AND RAILWAYS	0	0	0	0	0	0	0	0	0	0
INTERDEPARTMENTAL SALES	0	0	0	0	0	0	0	0	0	0
UNBILLED REVENUES *	0	0	0	0	0	0	0	0	0	0
TOTAL SALES TO ULTIMATE CONSUMERS	85,548,637	96,617,392	111,272,255	132,098,522	155,915,717	172,006,257	225,372,985	253,419,868	256,729,809	273,852,503
SALES FOR RESALE	29,159,712	33,629,285	39,167,897	56,222,241	46,349,097	40,873,753	49,329,489	69,742,779	40,223,679	48,571,160
TOTAL SALES OF ELECTRICITY	114,708,349	130,246,677	150,440,152	188,320,763	202,264,814	212,880,010	274,702,474	323,162,647	296,953,488	322,423,663
OTHER OPERATING REVENUES	2,315,628	2,382,098	2,515,002	2,808,345	3,075,763	2,570,722	5,278,072	5,279,344	5,640,294	6,432,524
TOTAL ELECTRIC OPERATING REVENUES	117,023,977	132,628,775	152,955,154	191,129,108	205,340,577	215,450,732	279,980,546	328,441,991	302,593,782	328,856,187
OPERATING EXPENSES - ELECTRIC										
ENERGY PRODUCTION - STEAM	10,726,265	13,673,145	14,571,013	15,316,434	14,674,974	19,802,965	37,646,256	38,764,210	31,635,456	46,182,801
- NUCLEAR	0	0	0	0	0	0	0	0	0	0
- HYDROELECTRIC	3,252,954	3,128,533	3,377,954	3,692,038	4,277,952	3,872,755	4,718,373	5,295,205	5,548,625	5,915,646
- INTERNAL COMBUSTION	230,826	6,362,694	3,832,368	2,265,994	1,123,050	299,586	132,558	177,517	74,710	47,666
PURCHASED POWER	19,550,598	27,930,472	43,556,370	51,389,023	42,226,782	51,871,714	47,065,634	56,758,243	37,918,037	47,910,054
OTHER POWER SUPPLY	301,632	643,834	973,306	414,297	539,100	531,070	463,307	563,346	647,877	747,944
TOTAL PRODUCTION EXPENSES	34,062,275	51,738,678	66,311,011	73,077,786	62,841,858	76,378,090	90,026,128	101,558,521	75,824,705	100,804,111
TRANSMISSION	2,431,476	2,810,591	2,858,537	3,215,084	3,514,143	6,012,492	11,370,479	14,689,839	9,024,885	11,364,113
DISTRIBUTION	5,003,875	5,432,241	6,037,786	6,459,803	6,731,359	6,509,768	8,159,043	8,945,911	7,814,827	8,391,120
CUSTOMER ACCOUNTS	3,040,238	3,632,591	3,916,561	4,801,037	6,131,921	6,508,514	6,023,173	6,314,439	7,485,101	7,909,944
CUSTOMER SERVICE AND INFORMATION	506,811	777,290	1,112,268	1,789,342	2,117,158	2,941,828	3,571,250	4,269,452	5,166,405	4,927,540
SALES	116,912	115,879	111,344	134,466	117,829	135,002	132,829	189,725	510,453	635,011
ADMINISTRATIVE AND GENERAL	8,828,810	9,701,369	11,729,237	14,471,658	16,855,702	17,085,643	18,364,079	19,760,796	20,659,550	18,567,997
TOTAL ELECTRIC OPERATION & MAINT. EXPENSE	53,990,397	74,208,639	92,076,744	103,949,176	98,309,970	115,571,337	137,646,981	155,728,683	126,485,926	152,599,836
DEPRECIATION & AMORTIZATION	9,135,653	10,132,941	10,752,648	11,710,737	12,756,087	13,752,464	21,242,983	26,168,842	31,016,992	34,178,657
TAXES OTHER THAN FEDERAL INCOME TAXES	10,921,314	11,248,293	10,849,308	13,552,454	15,034,775	18,404,521	24,810,105	26,975,297	29,165,019	27,766,013
FEDERAL INCOME TAXES	5,075,164	(872,617)	(1,532,057)	1,979,177	304,315	(9,141,877)	(1,772,421)	3,145,304	6,611,279	20,883,597
INVESTMENT TAX CREDIT ADJUSTMENTS (NET)	3,535,698	4,739,992	4,933,470	7,624,838	11,995,217	(3,962,985)	5,389,082	12,051,902	7,179,963	(1,578,623)
FEDERAL INCOME TAXES DEFERRED (NET)	0	0	0	725,914	1,827,226	16,700,612	13,347,076	15,984,764	13,330,517	12,785,029
GAINS/LOSSES FROM DISP. OF UTILITY PLANT	0	0	0	0	0	0	0	0	0	0
TOTAL OPERATING EXPENSES	82,658,226	99,457,248	117,080,113	139,542,296	140,227,590	151,324,072	200,663,806	240,054,792	213,789,696	246,634,509
NET OPERATING INCOME	$34,365,751	$33,171,527	$35,875,041	$51,586,812	$65,112,987	$64,126,660	$79,316,740	$88,387,199	$88,804,086	$82,221,678

* UNBILLED REVENUES ARE INCLUDED IN OTHER SOURCES OF REVENUE

TABLE WWP.3S

WWP3ST
JULY 11TH, 1988

THE WASHINGTON WATER POWER COMPANY -- WASHINGTON OPERATIONS ONLY
OPERATING REVENUE AND EXPENSES

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
ELECTRIC PLANT IN SERVICE										
INTANGIBLE	$116,801	$108,220	$105,343	$107,409	$115,885	$114,360	$120,326	$122,894	$368,467	$379,046
TANGIBLE	330,702,501	315,169,307	329,708,090	351,287,363	384,411,827	454,351,007	598,764,009	621,317,463	741,913,086	774,232,480
TOTAL ELECTRIC PLANT IN SERVICE	$330,819,302	$315,277,527	$329,813,433	$351,394,772	$384,527,712	$454,465,367	$598,884,335	$621,440,357	$742,281,553	$774,611,526
ACCUMULATED PROVISION FOR DEPREC. & AMORT.	$59,958,948	$63,207,996	$67,633,076	$73,887,326	$82,683,491	$88,878,972	$101,876,447	$109,702,904	$124,340,429	$143,622,688
NET OPERATING INCOME STATEMENT - ELECTRIC										
OPERATING REVENUES - ELECTRIC										
RESIDENTIAL SALES	$29,856,222	$34,234,575	$38,826,388	$46,044,649	$57,473,269	$64,961,809	$85,757,308	$93,591,286	$90,303,977	$96,109,397
COMMERCIAL AND INDUSTRIAL SALES	23,835,375	26,652,758	31,158,130	38,686,948	47,798,113	54,774,450	72,452,163	77,870,216	82,219,288	92,565,589
PUBLIC STREET AND HIGHWAY LIGHTING	1,020,274	1,073,993	1,144,175	1,411,124	1,790,748	1,907,892	2,030,866	1,945,906	2,117,085	2,076,085
OTHER SALES TO PUBLIC AUTHORITIES	0	0	0	0	0	0	0	0	0	0
SALES TO RAILROADS AND RAILWAYS	0	0	0	0	0	0	0	0	0	0
INTERDEPARTMENTAL SALES	0	0	0	0	0	0	0	0	0	0
UNBILLED REVENUES *	0	0	0	0	0	0	0	0	0	0
TOTAL SALES TO ULTIMATE CONSUMERS	54,711,871	61,961,326	71,128,693	86,142,721	107,062,130	121,644,151	160,240,337	173,407,408	174,640,350	190,751,071
SALES FOR RESALE	14,502,937	16,810,761	19,094,924	28,550,381	24,194,063	20,761,806	26,828,986	39,805,196	21,007,330	27,031,224
TOTAL SALES OF ELECTRICITY	69,214,808	78,772,087	90,223,617	114,693,102	131,256,193	142,405,957	187,069,323	213,212,604	195,647,680	217,782,295
OTHER OPERATING REVENUES	1,357,988	1,373,648	1,399,315	1,602,273	1,895,043	1,612,322	3,396,049	3,432,732	3,536,775	4,283,146
TOTAL ELECTRIC OPERATING REVENUES	70,572,796	80,145,735	91,622,932	116,295,375	133,151,236	144,018,279	190,465,372	216,645,336	199,184,455	222,065,441
OPERATING EXPENSES - ELECTRIC										
ENERGY PRODUCTION - STEAM	6,043,177	7,663,797	7,949,943	8,520,531	8,807,919	11,729,298	23,461,148	24,673,041	20,161,678	30,282,062
- NUCLEAR	0	0	0	0	0	0	0	0	0	0
- HYDROELECTRIC	1,832,714	1,753,542	1,843,012	2,053,881	2,567,627	2,293,669	2,940,465	3,370,601	3,539,969	3,878,890
- INTERNAL COMBUSTION	130,046	3,566,290	2,090,939	1,260,574	674,055	177,440	82,636	112,987	47,620	31,253
PURCHASED POWER	11,014,807	15,655,030	23,764,355	28,587,713	25,344,515	30,723,616	29,331,303	36,126,622	24,168,957	31,414,622
OTHER POWER SUPPLY	169,940	360,869	531,036	230,474	323,568	314,552	288,733	358,570	412,957	490,428
TOTAL PRODUCTION EXPENSES	19,190,684	28,999,528	36,179,285	40,653,173	37,717,684	45,238,575	56,104,285	64,641,821	48,331,181	66,097,255
TRANSMISSION	1,369,894	1,575,338	1,559,619	1,788,550	2,109,189	3,561,205	7,086,079	9,350,259	5,750,817	7,451,450
DISTRIBUTION	3,506,600	3,806,815	4,333,724	4,434,546	4,777,889	4,606,915	5,659,823	5,950,715	5,350,104	6,070,511
CUSTOMER ACCOUNTS	2,122,949	2,568,936	2,750,553	3,416,386	4,460,037	4,721,339	4,323,871	4,575,456	5,375,800	5,592,415
CUSTOMER SERVICE AND INFORMATION	380,396	557,384	763,751	1,282,513	1,491,607	2,040,985	2,824,599	2,877,383	3,518,518	3,392,217
SALES	76,535	78,893	78,120	95,301	82,274	93,658	98,631	129,772	390,789	470,834
ADMINISTRATIVE AND GENERAL	5,737,862	6,249,914	7,515,758	9,395,411	11,816,484	11,975,504	12,288,402	13,547,875	14,051,685	12,529,351
TOTAL ELECTRIC OPERATION & MAINT. EXPENSE	32,384,920	43,836,808	53,180,810	61,065,880	62,455,164	72,238,181	88,385,690	101,073,281	82,768,894	101,604,033
DEPRECIATION & AMORTIZATION	5,690,420	6,305,821	6,633,242	7,295,452	8,226,693	8,872,711	13,786,899	17,634,305	20,826,055	23,520,564
TAXES OTHER THAN FEDERAL INCOME TAXES	7,859,440	8,433,630	8,407,139	10,627,681	12,419,369	15,836,062	20,457,517	22,321,400	23,801,055	22,010,336
FEDERAL INCOME TAXES	4,717,218	1,872,091	1,966,961	6,356,124	9,473,611	(6,914,801)	1,068,840	973,168	3,849,093	13,316,008
INVESTMENT TAX CREDIT ADJUSTMENTS (NET)	(155,744)	(209,619)	(193,860)	(225,966)	(303,770)	(272,652)	3,362,000	8,442,434	4,180,181	(1,020,800)
FEDERAL INCOME TAXES DEFERRED (NET)	(305,385)	(303,813)	(295,737)	(301,537)	(325,391)	10,293,573	8,268,092	9,341,256	7,761,038	8,088,352
GAINS/LOSSES FROM DISP. OF UTILITY PLANT	0	0	0	0	0	0	0	0	0	0
TOTAL OPERATING EXPENSES	50,190,869	59,934,918	69,698,555	84,817,634	91,945,676	100,053,074	135,329,038	159,785,844	143,186,316	167,518,493
NET OPERATING INCOME	$20,381,927	$20,210,817	$21,924,377	$31,477,741	$41,205,560	$43,965,205	$55,136,334	$56,859,492	$55,998,139	$54,546,948

* UNBILLED REVENUES ARE INCLUDED IN OTHER SOURCES OF REVENUES

TABLE WWP.4

WAP4
JULY 11TH, 1988

THE WASHINGTON WATER POWER COMPANY -- TOTAL COMPANY OPERATIONS
SOURCE AND DISPOSITION OF ENERGY

SOURCES OF ENERGY -- MEGAWATT HOURS	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
GENERATION:										
STEAM	953,569	1,130,429	1,072,945	1,084,153	782,953	1,083,629	1,698,306	1,992,640	1,977,282	2,600,505
NUCLEAR	0	0	0	0	0	0	0	0	0	0
HYDROELECTRIC	4,234,457	3,595,294	3,719,391	3,927,702	3,752,701	4,020,629	3,820,779	3,789,462	3,753,254	3,016,183
INTERNAL COMBUSTION & OTHER	7,134	163,625	74,798	34,024	7,987	115	336	472	128	26
TOTAL GENERATION	5,195,160	4,889,348	4,867,134	5,045,879	4,543,641	5,104,373	5,519,421	5,782,574	5,730,664	5,616,714
ENERGY TRANS. FROM/TO PLANTS OUTSIDE STATE:										
RECEIVED	3,240,094	2,582,165	2,822,879	2,917,934	2,276,772	2,305,138	2,179,693	2,007,575	2,115,551	1,794,658
DELIVERED	3,240,094	2,582,165	2,822,879	2,917,934	2,276,772	2,305,138	2,179,693	2,007,575	2,115,551	1,794,658
TOTAL ENERGY TRANSFERRED	0	0	0	0	0	0	0	0	0	0
PURCHASES:										
FROM PRIVATELY-OWNED ELECTRIC UTILITIES	648,766	699,484	1,116,207	852,578	141,817	231,330	589,250	467,617	350,693	765,308
FROM MUNICIPAL & OTHER PUBLIC AUTHORITIES	3,476,044	3,022,411	3,059,252	3,759,524	4,022,024	4,004,420	3,014,283	3,220,158	2,656,365	2,594,130
FROM OTHER SOURCES	0	0	0	41,547	0	0	0	0	0	0
TOTAL PURCHASES FOR RESALE	4,124,810	3,721,895	4,175,459	4,653,649	4,163,841	4,235,750	3,603,533	3,687,775	3,007,058	3,359,438
INTERCHANGES - IN	2,273,766	3,127,435	3,183,456	3,750,977	3,987,129	3,016,049	3,705,799	3,565,513	3,735,397	3,078,640
- OUT	1,568,252	2,026,879	2,207,792	2,587,011	2,376,754	2,036,165	2,367,619	2,217,169	2,372,126	1,918,797
NET INTERCHANGES	705,514	1,100,556	975,664	1,163,966	1,610,375	979,884	1,338,180	1,348,344	1,363,271	1,159,843
TOTAL PURCHASED POWER	4,830,324	4,822,451	5,151,123	5,817,615	5,774,216	5,215,634	4,941,713	5,036,119	4,370,329	4,519,281
TRANSMISSION FOR/BY OTHERS:										
RECEIVED	427,447	475,284	433,034	473,148	468,438	444,566	356,454	400,774	340,602	381,315
DELIVERED	1,022,838	1,160,559	1,078,588	1,062,800	1,234,826	1,115,174	1,190,355	1,329,704	1,226,000	1,245,273
TOTAL TRANSMISSION	(595,391)	(685,275)	(645,554)	(589,652)	(766,388)	(670,608)	(833,901)	(928,930)	(885,398)	(863,958)
TOTAL AVAILABLE ENERGY	9,430,093	9,026,524	9,372,703	10,273,842	9,551,469	9,649,399	9,627,233	9,889,763	9,215,595	9,272,037
DISPOSITION OF ENERGY -- MEGAWATT HOURS										
RESIDENTIAL SALES	2,801,948	3,061,737	3,008,484	2,960,973	3,096,653	2,911,547	3,098,146	3,161,499	2,910,719	2,801,627
COMMERCIAL AND INDUSTRIAL SALES	3,192,237	3,385,690	3,376,159	3,547,472	3,024,431	3,028,512	3,089,492	3,118,825	3,075,691	3,078,105
PUBLIC STREET & HIGHWAY LIGHTING	33,223	34,669	35,790	37,918	36,880	30,387	26,974	24,412	21,992	20,561
OTHER SALES TO PUBLIC AUTHORITIES	0	0	0	0	0	0	0	0	0	0
SALES TO RAILROADS AND RAILWAYS	0	0	0	0	0	0	0	0	0	0
INTERDEPARTMENTAL SALES	0	0	0	0	0	0	0	0	0	0
UNBILLED MWH *	0	0	0	0	0	0	0	0	0	0
TOTAL SALES TO ULTIMATE CONSUMERS	6,027,408	6,482,096	6,420,433	6,546,363	6,157,964	5,970,446	6,214,612	6,304,736	6,008,402	5,900,293
SALES FOR RESALE	2,687,906	1,943,618	2,318,419	3,063,790	2,837,290	3,006,924	2,808,707	2,951,273	2,668,419	2,813,658
ENERGY FURNISHED WITHOUT CHARGE	0	0	0	0	0	0	0	0	0	0
ENERGY USED BY COMPANY	0	0	0	0	0	0	0	0	0	0
ENERGY LOSSES	714,779	600,810	633,851	663,689	556,215	672,029	603,914	633,755	538,774	558,086
TOTAL DISPOSITION OF ENERGY	9,430,093	9,026,524	9,372,703	10,273,842	9,551,469	9,649,399	9,627,233	9,889,764	9,215,595	9,272,037

* UNBILLED MWH ARE INCLUDED IN OTHER SOURCES OF ENERGY DISPOSITION

TABLE WWP.4S

WWP4ST
JULY 11TH, 1988

THE WASHINGTON WATER POWER COMPANY -- WASHINGTON OPERATIONS ONLY
SOURCE AND DISPOSITION OF ENERGY

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
SOURCES OF ENERGY -- MEGAWATT HOURS										
GENERATION:										
STEAM	953,569	1,130,429	1,072,945	1,084,153	782,953	1,013,169	1,123,574	1,488,101	802,829	1,674,473
NUCLEAR	0	0	0	0	0	0	0	0	0	0
HYDROELECTRIC	900,994	777,411	895,274	945,581	918,109	968,711	965,058	859,284	823,566	738,287
INTERNAL COMBUSTION & OTHER	7,134	163,625	74,798	34,024	7,987	115	336	472	128	26
TOTAL GENERATION	1,861,697	2,071,465	2,043,017	2,063,758	1,709,049	1,981,995	2,088,968	2,347,857	1,626,523	2,412,786
ENERGY TRANS. FROM/TO PLANTS OUTSIDE STATE:										
RECEIVED	1,290,812	1,186,083	1,360,057	1,216,998	811,494	1,047,288	1,440,326	628,746	1,216,194	667,363
DELIVERED	354,481	7,547	117,280	227,993	215,598	187,408	(154,087)	(215,339)	(126,242)	(64,786)
TOTAL ENERGY TRANSFERRED	936,331	1,178,536	1,242,777	989,005	595,896	859,880	1,594,413	844,085	1,342,436	732,149
PURCHASES:										
FROM PRIVATELY-OWNED ELECTRIC UTILITIES	405,811	398,032	476,865	558,394	28,623	7,712	323,956	299,410	233,670	202,734
FROM MUNICIPAL & OTHER PUBLIC AUTHORITIES	3,476,044	3,022,411	3,059,252	3,759,524	4,022,024	4,004,420	3,014,283	3,220,158	2,656,365	2,594,130
FROM OTHER SOURCES	0	0	0	0	0	0	0	0	0	0
TOTAL PURCHASES FOR RESALE	3,881,855	3,420,443	3,536,117	4,317,918	4,050,647	4,012,132	3,338,239	3,519,568	2,890,035	2,796,864
INTERCHANGES - IN	356,415	639,838	1,103,995	1,871,650	1,027,895	1,130,415	1,426,964	1,990,837	1,925,443	1,992,886
- OUT	1,534,164	2,129,138	2,198,395	2,156,985	1,102,380	1,190,453	1,398,605	1,549,836	1,375,778	1,133,202
NET INTERCHANGES	(1,177,749)	(1,489,300)	(1,094,400)	(285,335)	(74,485)	(60,038)	28,359	441,001	549,665	859,684
TOTAL PURCHASED POWER	2,704,106	1,931,143	2,441,717	4,032,583	3,976,162	3,952,094	3,366,598	3,960,569	3,439,700	3,656,548
TRANSMISSION FOR/BY OTHERS:										
RECEIVED	0	0	0	0	432,919	396,181	300,761	338,653	287,122	288,872
DELIVERED	0	0	0	0	654,354	560,844	599,266	682,394	628,163	629,296
TOTAL TRANSMISSION	0	0	0	0	(221,435)	(164,663)	(298,505)	(343,741)	(341,041)	(340,424)
TOTAL AVAILABLE ENERGY	5,502,134	5,181,144	5,727,511	7,085,346	6,059,672	6,629,306	6,751,474	6,808,770	6,067,618	6,461,059
DISPOSITION OF ENERGY -- MEGAWATT HOURS										
RESIDENTIAL SALES	1,964,740	2,152,097	2,126,942	2,105,204	2,213,296	2,084,948	2,224,036	2,286,462	2,108,671	2,039,653
COMMERCIAL AND INDUSTRIAL SALES	1,545,810	1,693,921	1,452,934	1,748,685	1,713,130	1,724,974	1,848,854	1,937,086	1,926,054	1,999,800
PUBLIC STREET & HIGHWAY LIGHTING	24,564	25,746	26,866	29,191	28,333	22,917	20,261	18,384	16,510	15,399
OTHER SALES TO PUBLIC AUTHORITIES	0	0	0	0	0	0	0	0	0	0
SALES TO RAILROADS AND RAILWAYS	0	0	0	0	0	0	0	0	0	0
INTERDEPARTMENTAL SALES	0	0	0	0	0	0	0	0	0	0
UNBILLED MWH *	0	0	0	0	0	0	0	0	0	0
TOTAL SALES TO ULTIMATE CONSUMERS	3,535,114	3,871,764	3,606,742	3,883,080	3,954,759	3,832,839	4,093,151	4,241,932	4,051,235	4,054,852
SALES FOR RESALE	1,820,985	1,501,416	1,974,897	2,623,514	1,991,672	2,382,614	2,379,669	2,621,042	2,129,940	2,440,371
ENERGY FURNISHED WITHOUT CHARGE	0	0	0	0	0	0	0	0	0	0
ENERGY USED BY COMPANY	0	0	0	0	0	0	0	0	0	0
ENERGY LOSSES	146,035	(192,036)	145,872	578,752	113,241	413,853	278,654	(54,202)	(113,557)	(34,164)
TOTAL DISPOSITION OF ENERGY	5,502,134	5,181,144	5,727,511	7,085,346	6,059,672	6,629,306	6,751,474	6,808,772	6,067,618	6,461,059

* UNBILLED MWH ARE INCLUDED IN OTHER SOURCES OF ENERGY DISPOSITION

TABLE WWP.5

WWP5
JULY 11TH, 1988

THE WASHINGTON WATER POWER COMPANY -- TOTAL COMPANY OPERATIONS
SALES, REVENUE AND CUSTOMERS

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
AVERAGE NUMBER OF ELECTRIC CUSTOMERS PER MONTH										
RESIDENTIAL	188,325	194,237	198,847	201,465	203,444	205,533	208,574	210,811	212,865	214,479
COMMERCIAL AND INDUSTRIAL	23,012	23,788	24,424	24,602	24,354	24,579	25,011	25,388	25,863	26,319
PUBLIC STREET & HIGHWAY LIGHTING	255	254	251	248	266	293	290	288	288	286
OTHER PUBLIC AUTHORITIES	0	0	0	0	0	0	0	0	0	0
RAILROADS AND RAILWAYS	0	0	0	0	0	0	0	0	0	0
INTERDEPARTMETAL	0	0	0	0	0	0	0	0	0	0
TOTAL ULTIMATE CONSUMERS	211,592	218,279	223,522	226,315	228,064	230,405	233,875	236,487	239,016	241,084
RESALE	16	13	16	18	15	15	15	19	17	17
TOTAL ELECTRIC CUSTOMERS	211,608	218,292	223,538	226,333	228,079	230,420	233,890	236,506	239,033	241,101
AVERAGE ELECTRIC REVENUE PER MWH SOLD										
RESIDENTIAL	$15.18	$15.95	$18.40	$21.72	$25.49	$29.72	$36.99	$41.02	$43.32	$47.13
COMMERCIAL AND INDUSTRIAL	13.05	13.69	16.10	18.57	24.66	27.39	34.97	38.81	41.54	45.16
PUBLIC STREET & HIGHWAY LIGHTING	41.54	41.93	44.06	50.68	65.11	83.13	101.50	110.20	129.72	136.49
OTHER PUBLIC AUTHORITIES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RAILROADS AND RAILWAYS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
INTERDEPARTMENTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RESALE	10.85	17.30	16.89	18.35	16.34	13.59	17.56	23.63	15.07	17.26
AVERAGE REVENUE PER ELECTRIC CUSTOMER										
RESIDENTIAL	$225.79	$251.34	$278.36	$319.23	$387.94	$420.99	$549.48	$615.24	$592.40	$615.66
COMMERCIAL AND INDUSTRIAL	1,809.78	1,948.19	2,225.01	2,677.16	3,062.76	3,374.93	4,319.22	4,767.24	4,940.46	5,281.34
PUBLIC STREETS & HIGHWAY LIGHTING	5,412.57	5,722.74	6,282.22	7,749.43	9,027.22	8,621.37	9,441.32	9,341.09	9,905.59	9,812.15
OTHER PUBLIC AUTHORITIES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RAILROADS AND RAILWAYS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
INTERDEPARTMENTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RESALE	1,822,482.00	2,586,868.08	2,447,993.56	3,123,457.83	3,089,939.80	2,724,916.87	3,288,632.60	3,670,672.58	2,366,098.76	2,857,127.06
AVERAGE MWH SOLD PER ELECTRIC CUSTOMER										
RESIDENTIAL	14.88	15.76	15.13	14.70	15.22	14.17	14.85	15.00	13.67	13.06
COMMERCIAL AND INDUSTRIAL	138.72	142.33	138.23	144.19	124.19	123.22	123.53	122.85	118.92	116.95
PUBLIC STREET & HIGHWAY LIGHTING	130.29	136.49	142.59	152.90	138.65	103.71	93.01	84.76	76.36	71.89
OTHER PUBLIC AUTHORITIES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RAILROADS AND RAILWAYS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
INTERDEPARTMENTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RESALE	167,994.13	149,509.08	144,901.19	170,210.56	189,152.67	200,461.60	187,247.13	155,330.16	156,965.82	165,509.29

TABLE WWP.5S

WWP5ST
JULY 11TH, 1988

THE WASHINGTON WATER POWER COMPANY -- WASHINGTON OPERATIONS ONLY
SALES, REVENUE AND CUSTOMERS

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
AVERAGE NUMBER OF ELECTRIC CUSTOMERS PER MONTH										
RESIDENTIAL	135,791	140,077	143,045	144,653	146,909	148,490	150,679	152,486	154,217	155,576
COMMERCIAL AND INDUSTRIAL	14,777	15,236	15,592	15,668	15,416	15,496	15,754	15,969	16,246	16,598
PUBLIC STREET & HIGHWAY LIGHTING	159	159	158	155	171	189	182	179	178	177
OTHER PUBLIC AUTHORITIES	0	0	0	0	0	0	0	0	0	0
RAILROADS AND RAILWAYS	0	0	0	0	0	0	0	0	0	0
INTERDEPARTMETAL	0	0	0	0	0	0	0	0	0	0
TOTAL ULTIMATE CONSUMERS	150,727	155,472	158,795	160,476	162,496	164,175	166,615	168,634	170,641	172,351
RESALE	10	6	9	9	9	9	10	14	13	13
TOTAL ELECTRIC CUSTOMERS	150,737	155,478	158,804	160,485	162,505	164,184	166,625	168,648	170,654	172,364
AVERAGE ELECTRIC REVENUE PER MWH SOLD										
RESIDENTIAL	$15.20	$15.91	$18.25	$21.87	$25.97	$31.16	$38.56	$40.93	$42.83	$47.12
COMMERCIAL AND INDUSTRIAL	15.42	15.73	21.44	22.12	27.90	31.75	39.19	40.20	42.69	46.29
PUBLIC STREET & HIGHWAY LIGHTING	41.54	41.71	42.59	48.34	63.20	83.25	100.24	105.85	128.23	134.82
OTHER PUBLIC AUTHORITIES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RAILROADS AND RAILWAYS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
INTERDEPARTMETAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RESALE	7.96	11.20	9.67	10.88	12.15	8.71	11.27	15.19	9.86	11.08
AVERAGE REVENUE PER ELECTRIC CUSTOMER										
RESIDENTIAL	$219.87	$244.40	$271.43	$318.31	$391.22	$437.48	$569.14	$613.77	$585.56	$617.76
COMMERCIAL AND INDUSTRIAL	1,613.01	1,749.33	1,998.34	2,469.17	3,100.55	3,534.75	4,598.97	4,876.34	5,060.89	5,576.91
PUBLIC STREET & HIGHWAY LIGHTING	6,416.82	6,754.67	7,241.61	9,104.03	10,472.21	10,094.67	11,158.60	10,870.98	11,893.74	11,729.29
OTHER PUBLIC AUTHORITIES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RAILROADS AND RAILWAYS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
INTERDEPARTMETAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RESALE	1,450,293.70	2,801,793.50	2,121,658.22	3,172,264.56	2,688,229.22	2,306,867.33	2,682,898.60	2,843,228.29	1,615,948.46	2,079,324.92
AVERAGE MWH SOLD PER ELECTRIC CUSTOMER										
RESIDENTIAL	14.47	15.36	14.87	14.55	15.07	14.04	14.76	14.99	13.67	13.11
COMMERCIAL AND INDUSTRIAL	104.61	111.18	93.18	111.61	111.13	111.32	117.36	121.30	118.56	120.48
PUBLIC STREET & HIGHWAY LIGHTING	154.49	161.92	170.04	188.33	165.69	121.25	111.32	102.70	92.75	87.00
OTHER PUBLIC AUTHORITIES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RAILROADS AND RAILWAYS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
INTERDEPARTMETAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RESALE	182,098.50	250,236.00	219,433.00	291,501.56	221,296.89	264,734.89	237,966.90	187,217.29	163,841.54	187,720.85

WWP6
JULY 11TH, 1988

TABLE WWP.6

THE WASHINGTON WATER POWER COMPANY -- TOTAL COMPANY OPERATIONS
PLANT AND ELECTRIC DIVISION STATISTICS

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
PLANT STATISTICS										
GENERATING CAPACITY (MW)*										
STEAM	199.5	199.5	199.5	199.5	199.5	250.2	366.9	366.9	483.6	483.6
NUCLEAR	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
HYDROELECTRIC	740.5	740.5	735.6	744.1	744.0	744.0	744.0	744.0	744.2	744.2
INTERNAL COMBUSTION AND OTHER	96.2	96.2	96.2	96.2	89.4	89.4	89.4	89.4	89.4	89.4
TOTAL GENERATING CAPACITY	1,036.2	1,036.2	1,031.3	1,039.8	1,032.9	1,083.6	1,200.3	1,200.3	1,317.2	1,317.2
MILES OF TRANSMISSION POLE LINES (ROUNDED)	2,129	2,160	2,165	2,166	2,165	2,133	2,133	2,133	2,154	2,164
NUMBER OF LINE TRANSFORMERS	68,731	72,319	76,816	78,345	79,599	81,098	82,495	84,357	85,084	85,511
CAPACITY OF ALL LINE TRANSFORMERS-KVA-ROUNDED	2,339,217	2,544,987	2,733,257	2,780,000	2,839,000	2,914,000	3,003,000	3,089,000	3,142,000	3,173,000
NUMBER OF METERS	226,066	232,559	246,718	239,385	253,955	256,550	262,189	276,751	266,503	267,354
ELECTRIC DIVISION STATISTICS										
TOTAL PLANT IN SERVICE PER DOLLAR OF OP. REV.	$4.70	$3.91	$3.59	$3.02	$2.95	$3.35	$3.32	$2.90	$3.76	$3.53
PERCENT OF OPERATING REVENUES:										
OPERATION & MAINTENANCE EXPENSES	46.14	55.95	60.20	54.39	47.88	53.64	49.16	47.41	41.80	46.40
TOTAL OPERATING EXPENSES	70.63	74.99	76.55	73.01	68.29	70.24	71.67	73.09	70.65	75.00
FEDERAL INCOME TAX - NET	7.36	2.92	2.22	5.02	5.99	(6.08)	1.29	4.63	4.56	5.87
FEDERAL INCOME TAX - DEFERRED	0.00	0.00	0.00	0.38	0.89	7.75	4.77	4.87	4.41	3.89
NET OPERATING INCOME	29.37	25.01	23.45	26.99	31.71	29.76	28.33	26.91	29.35	25.00
DEP./AMORT. EXP. TO TOTAL PLNT IN SERVICE (%)	1.66	1.95	1.96	2.03	2.11	1.91	2.28	2.75	2.72	2.94
INTANGIBLE TO TOTAL PLANT IN SERVICE (%)	0.04	0.04	0.04	0.03	0.03	0.03	0.02	0.02	0.05	0.05
ENERGY PRODUCTION EXPENSES PER GENERATED MWH										
STEAM	$11.25	$12.10	$13.58	$14.13	$18.74	$18.27	$22.17	$19.45	$16.00	$17.76
NUCLEAR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
HYDROELECTRIC	0.77	0.87	0.91	0.94	1.14	0.96	1.23	1.40	1.48	1.96
OTHER	32.36	38.89	51.24	66.60	140.61	2,605.10	394.52	376.10	583.67	1,833.31
COST PER MWH PURCHASES ($)	$4.05	$5.79	$8.46	$8.83	$7.31	$9.95	$9.52	$11.27	$8.68	$10.60
MWH PURCHASED TO TOTAL AVAILABLE (%)	51.22	53.43	54.96	56.63	60.45	54.05	51.33	50.92	47.42	48.74
MWH LOST TO TOTAL AVAILABLE (%)	7.58	6.66	6.76	6.46	5.82	6.96	6.27	6.41	5.85	6.02

*IN COMPLIANCE WITH F.P.C. ORDER NO. 269, DATED AUGUST 1,1974, REPORTING REQUIREMENTS ELIMINATED GENERATING STATIONS OF CERTAIN MINIMUM CAPACITIES.

TABLE WWP.6S

WWP6ST
JULY 11TH, 1988

THE WASHINGTON WATER POWER COMPANY -- WASHINGTON OPERATIONS ONLY
PLANT AND ELECTRIC DIVISION STATISTICS

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
PLANT STATISTICS										
GENERATING CAPACITY (MW)*										
STEAM	199.5	199.5	199.5	199.5	199.5	250.2	250.2	250.2	250.2	250.2
NUCLEAR	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
HYDROELECTRIC	132.4	132.4	124.0	132.4	132.4	132.4	132.4	132.4	132.4	132.4
INTERNAL COMBUSTION AND OTHER	96.2	96.2	96.2	96.2	89.4	89.4	89.4	89.4	89.4	89.4
TOTAL GENERATING CAPACITY	428.1	428.1	419.7	428.1	421.3	472.0	472.0	472.0	472.0	472.0
MILES OF TRANSMISSION POLE LINES (ROUNDED)	1,087	1,102	1,110	1,101	1,100	1,061	1,061	1,061	1,079	1,090
NUMBER OF LINE TRANSFORMERS	46,064	48,429	51,505	52,985	53,955	55,005	55,940	57,121	57,534	57,987
CAPACITY OF ALL LINE TRANSFORMERS (KVA) (ROUNDED)	1,634,519	1,769,186	1,903,313	1,941,000	1,987,000	2,040,000	2,101,000	2,155,000	2,191,000	2,217,000
NUMBER OF METERS	160,822	165,328	176,396	169,911	180,924	182,059	186,145	198,743	188,636	190,339
ELECTRIC DIVISION STATISTICS										
TOTAL PLANT IN SERVICE PER DOLLAR OF OPER. REV.	$4.69	$3.93	$3.60	$3.02	$2.89	$3.16	$3.14	$2.87	$3.73	$3.49
PERCENT OF OPERATING REVENUES:										
OPERATION & MAINTENANCE EXPENSES	45.89	54.70	58.04	52.51	46.91	50.16	46.41	46.65	41.55	45.75
TOTAL OPERATING EXPENSES	71.12	74.78	76.07	72.93	69.05	69.47	71.05	73.75	71.89	75.44
FEDERAL INCOME TAX - NET	6.46	2.07	1.94	5.27	6.89	(4.99)	2.33	4.35	4.03	5.54
FEDERAL INCOME TAX - DEFERRED	(0.43)	(0.38)	(0.32)	(0.26)	(0.24)	7.15	4.34	4.31	3.90	3.64
NET OPERATING INCOME	28.88	25.22	23.93	27.07	30.95	30.53	28.95	26.25	28.11	24.56
DEPREC. & AMORT. EXP. TO TOTAL PLNT IN SERVICE (%)	1.72	2.00	2.01	2.08	2.14	1.95	2.30	2.84	2.81	3.04
INTANGIBLE TO TOTAL PLANT IN SERVICE (%)	0.04	0.03	0.03	0.03	0.03	0.03	0.02	0.02	0.05	0.05
ENERGY PRODUCTION EXPENSES PER GENERATED MWH										
STEAM	$6.34	$6.78	$7.41	$7.86	$11.25	$11.58	$20.88	$16.58	$25.11	$18.08
NUCLEAR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
HYDROELECTRIC	2.03	2.26	2.06	2.17	2.80	2.37	3.05	3.92	4.30	5.25
OTHER	18.23	21.80	27.95	37.05	84.39	1,542.96	245.94	239.38	372.03	1,202.04
COST PER MWH PURCHASES ($)	$4.07	$8.11	$9.73	$7.09	$6.37	$7.77	$8.71	$9.12	$7.03	$8.59
MWH PURCHASED TO TOTAL AVAILABLE (%)	49.15	37.27	42.63	56.91	65.62	59.62	49.86	58.17	56.69	56.59
MWH LOST TO TOTAL AVAILABLE (%)	2.65	(3.71)	2.55	8.17	1.87	6.24	4.13	(0.80)	(1.87)	(0.53)

*IN COMPLIANCE WITH F.P.C. ORDER NO. 269, DATED AUGUST 1, 1974, REPORTING REQUIREMENTS ELIMINATED GENERATING STATIONS OF CERTAIN MINIMUM CAPACITIES.

TABLE ALL.1

TOTALC 1:
JULY 14TH, 1988

TOTAL ALL MAJOR ELECTRIC UTILITIES -- TOTAL COMPANY OPERATIONS
BALANCE SHEET -- ASSETS AND LIABILITIES

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
ASSETS AND OTHER DEBITS										
TOTAL UTILITY PLANT	$4,152,662,878	$4,587,423,100	$5,070,405,267	$5,767,776,659	$6,369,424,724	$6,439,110,287	$6,611,689,655	$6,999,181,054	$7,138,582,398	$7,365,965,875
LESS: ACCUM. PROV. FOR DEPREC. & AMORT.	627,332,866	706,544,503	798,999,107	900,242,454	1,004,277,415	1,118,044,735	1,259,809,429	1,406,997,264	1,562,741,784	1,745,751,148
NET UTILITY PLANT	3,525,330,012	3,880,878,597	4,271,406,160	4,867,534,205	5,365,147,309	5,321,065,552	5,351,880,226	5,592,183,790	5,575,840,614	5,620,214,727
NET NUCLEAR FUEL	20,644,816	25,954,440	36,750,596	30,012,776	27,249,094	20,721,517	14,969,381	15,261,770	2,555,919	2,286,692
INVESTMENTS IN ASSOCIATED COMPANIES	0	0	0	0	0	0	0	0	0	0
OTHER PROPERTY AND INVESTMENTS	161,138,327	210,488,564	329,332,522	502,815,145	580,639,980	653,964,583	724,694,952	786,730,910	961,866,274	1,086,560,607
CURRENT AND ACCRUED ASSETS	188,002,309	249,320,586	286,559,629	358,112,553	409,511,062	489,517,953	632,761,844	545,437,224	671,957,035	723,407,725
UNAMORT. DEBT EXPENSE	5,900,769	6,781,728	6,626,771	10,270,865	11,327,974	12,211,754	15,749,062	16,868,463	31,312,278	31,450,855
OTHER DEFERRED DEBITS	46,540,395	71,621,076	90,103,727	98,414,484	186,220,728	470,370,312	661,669,620	712,510,950	682,198,205	659,199,479
TOTAL ASSETS AND OTHER DEBITS	$3,947,556,628	$4,445,044,991	$5,020,779,405	$5,867,160,028	$6,580,096,147	$6,967,851,671	$7,401,725,085	$7,668,993,107	$7,925,730,325	$8,123,120,085
LIABILITIES AND OTHER CREDITS										
COMMON STOCK ISSUED	$467,501,400	$509,283,360	$610,878,319	$721,498,333	$875,319,780	$988,056,691	$1,054,033,630	$1,107,310,384	$1,140,896,754	$1,167,954,179
PREFERRED STOCK ISSUED	348,837,900	447,250,750	475,723,850	555,181,700	742,661,000	740,459,200	724,146,725	641,401,725	579,960,750	514,493,575
PREMIUM ON CAPITAL STOCK	505,146,786	531,348,377	662,068,006	756,400,497	871,444,167	925,165,513	1,021,926,996	1,134,316,515	1,207,617,596	1,272,600,066
OTHER PAID-IN CAPITAL	542,585	734,856	1,440,054	2,233,192	2,748,415	3,298,432	3,920,658	3,994,978	434,603	(310,676)
INSTALLMENTS RECEIVED ON CAPITAL STOCK	110,912	117,826	(375,311)	296,137	79,546	(35,049)	(70,377)	353,915	65,080	435,230
CAPITAL STOCK EXPENSE	(22,027,956)	(22,300,719)	(25,791,071)	(30,803,820)	(36,129,524)	(36,678,974)	(35,784,628)	(33,252,335)	(35,928,552)	(36,181,613)
RETAINED EARNINGS - UNAPPROPRIATED	321,409,796	305,465,429	271,241,184	303,143,342	304,266,103	265,026,617	255,024,897	274,396,628	192,307,205	174,523,376
UNAPPRO. UNDISTR. SUBSID. EARNINGS	84,779,595	123,857,224	176,474,492	220,261,682	283,365,137	239,422,278	296,208,501	371,651,073	426,831,092	529,620,878
RESTRICTED	2,168,257	1,626,217	1,084,177	542,137	0	0	0	0	0	0
APPROPRIATED	1,666,181	1,123,651	985,228	961,458	961,458	3,283,418	3,283,418	3,283,418	3,283,418	3,875,712
LONG-TERM DEBT(NET OF DISCOUNT)	1,810,932,235	2,018,617,976	2,137,805,005	2,579,515,852	2,747,096,179	2,915,166,967	2,910,420,012	2,862,709,345	2,989,614,403	2,855,234,667
CURRENT AND ACCRUED LIABILITIES	279,390,448	368,826,392	535,299,153	497,763,506	432,210,295	424,924,929	522,041,386	503,810,102	475,158,796	689,157,600
UNAMORTIZED PREMIUM ON DEBT	1,157,936	1,047,321	942,892	841,304	740,050	661,291	599,836	975,033	891,429	808,064
OTHER DEFERRED CREDITS	83,847,406	101,953,537	112,001,186	188,604,572	206,582,392	237,939,161	333,245,232	418,167,075	378,950,021	331,810,524
OPERATING RESERVES	7,430,774	4,376,786	4,333,332	5,499,973	9,611,970	7,021,501	8,855,101	11,810,575	162,297,973	158,951,689
ACCUMULATED DEFERRED INCOME TAXES	54,662,373	51,716,008	56,668,909	65,220,163	139,139,179	254,139,696	303,873,698	368,064,676	403,349,757	460,146,814
TOTAL LIABILITIES AND OTHER CREDITS	$3,947,556,628	$4,445,044,991	$5,020,779,405	$5,867,160,028	$6,580,096,147	$6,967,851,671	$7,401,725,085	$7,668,993,107	$7,925,730,325	$8,123,120,085
FINANCIAL AND PLANT RATIOS										
RATIO OF CURRENT & ACCRUED ASSETS/ LIABIL.(%)	67.29	67.60	53.53	71.94	94.75	115.20	121.21	108.26	141.42	104.97
LONG-TERM DEBT TO TOTAL UTILITY PLANT (%)	43.61	44.00	42.16	44.72	43.13	45.27	44.02	40.90	41.88	38.76
DEPREC. & AMORT. RESERVES TO TOT PLANT (%)	15.11	15.40	15.76	15.61	15.77	17.36	19.05	20.10	21.89	23.70
NUMBER OF TIMES FIXED CHARGES EARNED *	2.32	2.16	2.10	2.21	2.23	1.80	2.11	2.43	2.34	2.67

* FIXED CHARGES INCLUDE INTEREST ON LONG TERM DEBT+AMORTIZATION OF DEBT DISCOUNT, PREMIUM AND EXPENSE (NET) AND OTHER INTEREST CHARGES.

TABLE ALL.2

TOTALC 2:
JULY 14TH, 1988

TOTAL ALL MAJOR ELECTRIC UTILITIES -- TOTAL COMPANY OPERATIONS
NET INCOME AND RETAINED EARNINGS

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
NET INCOME STATEMENT										
GROSS UTILITY INCOME										
OPERATING INCOME FROM WASH. ELECT. OPERATIONS	$104,212,112	$98,345,923	$112,658,491	$171,581,422	$184,258,915	$194,301,952	$244,422,445	$263,261,648	$258,603,388	$256,934,921
OTHER OPERATING INCOME (NET)	139,266,293	134,565,860	158,031,228	195,469,178	226,181,229	247,486,455	271,996,675	252,521,841	255,861,490	248,924,075
TOTAL UTILITY OPERATING INCOME	243,478,405	232,911,783	270,689,719	367,050,600	410,440,144	441,788,407	516,419,120	515,783,489	514,464,878	505,858,996
NON-OPERATING INCOME (NET)	27,433,237	48,032,456	73,466,633	87,308,593	106,481,378	135,940,823	104,183,338	105,108,018	116,846,529	221,097,135
GROSS UTILITY INCOME	270,911,642	280,944,239	344,156,352	454,359,193	516,921,522	577,729,230	620,602,458	620,891,507	631,311,407	726,956,131
DEDUCTIONS FROM GROSS INCOME										
INTEREST ON LONG-TERM DEBT	126,915,513	142,007,659	156,265,656	206,477,029	245,321,026	278,360,357	294,185,186	279,463,036	251,146,255	230,712,929
AMORT. OF DEBT DISCOUNT & PREMIUM (NET) *	819,626	866,833	897,125	1,515,677	1,152,196	1,881,942	2,165,860	5,791,446	7,224,728	9,920,571
OTHER INTEREST CHARGES	6,054,184	14,424,048	34,013,480	47,083,040	40,394,359	18,027,391	24,910,019	31,671,277	32,295,721	31,121,915
ALLOWANCE FOR FUNDS USED DURING CONSTN. (CR)	42,282,312	61,728,237	68,533,280	109,127,111	135,938,203	171,848,139	101,565,441	117,154,638	75,915,496	17,506,699
MISCELLANEOUS INCOME DEDUCTIONS	2,345,199	2,765,281	10,520,627	(455,968)	10,885,941	6,050,937	(3,545,277)	(33,483,082)	(5,760,574)	19,061,852
TOTAL INCOME DEDUCTIONS	93,852,210	98,335,584	133,163,608	145,492,667	161,815,319	132,472,488	216,150,347	166,288,039	208,990,634	273,310,568
INCOME BEFORE EXTRAORDINARY ITEMS	177,059,432	182,608,655	210,992,744	308,866,526	355,106,203	445,256,742	404,452,111	454,603,468	422,320,773	453,645,563
EXTRAORDINARY ITEMS AFTER TAXES	0	0	0	0	(842,876)	(206,212,916)	(47,579,447)	0	(32,856,525)	0
NET UTILITY INCOME	$177,059,432	$182,608,655	$210,992,744	$308,866,526	$354,263,327	$239,043,826	$356,872,664	$454,603,468	$389,464,248	$453,645,563
UNAPPROPRIATED RETAINED EARNINGS STATEMENT										
BALANCE AT BEGINNING OF YEAR	$301,591,601	$321,409,796	$304,509,602	$271,241,184	$303,143,344	$304,266,104	$265,026,617	$255,024,897	$276,096,628	$194,789,757
CREDITS: NET INCOME	153,698,151	141,564,326	146,154,857	242,290,765	272,154,901	128,596,585	283,064,708	379,160,895	302,584,229	350,942,262
OTHER CREDITS	3,135,540	2,509,230	15,546,677	22,812,342	14,355,932	154,390,100	17,021,733	0	1,600,000	(86,485)
TOTAL CREDITS	156,833,691	144,073,556	161,701,534	265,103,107	286,510,833	282,986,685	300,086,441	379,160,895	304,184,229	350,855,777
DEBITS: DIVIDENDS DECLARED	134,111,428	156,604,388	192,848,758	230,361,061	280,144,999	318,236,802	310,044,645	359,789,164	363,802,922	365,373,757
OTHER DEBITS	2,904,068	3,413,532	2,121,194	2,839,886	5,243,074	3,989,369	43,516	0	24,170,730	5,748,401
TOTAL DEBITS	137,015,496	160,017,920	194,969,952	233,200,947	285,388,073	322,226,171	310,088,161	359,789,164	387,973,652	371,122,158
BALANCE AT END OF YEAR	$321,409,796	$305,465,432	$271,241,184	$303,143,344	$304,266,104	$265,026,618	$255,024,897	$274,396,628	$192,307,205	$174,523,376
UNAPP. UNDIST. SUBSIDIARY EARNINGS STATEMENT										
BALANCE AT BEGINNING OF YEAR	$64,553,854	$84,779,595	$123,857,224	$176,474,492	$220,261,681	$283,365,137	$239,422,278	$296,208,501	$341,551,073	$426,831,092
EQUITY IN EARNINGS FOR YEAR	22,817,241	41,044,329	67,069,695	66,033,721	76,917,250	110,447,241	73,807,956	75,442,572	86,880,019	102,703,301
DIVIDENDS RECEIVED - DR.	2,591,500	1,966,700	14,452,427	22,361,893	13,813,846	154,390,100	12,733,061	0	1,600,000	900,000
OTHER CHANGES	0	0	0	115,361	52	0	(4,288,672)	0	0	986,485
BALANCE AT END OF YEAR	$84,779,595	$123,857,224	$176,474,492	$220,261,681	$283,365,137	$239,422,278	$296,208,501	$371,651,073	$426,831,092	$529,620,878
APP. & RESTRICTED RETAINED EARNINGS STATEMENT										
BALANCE AT END OF YEAR	$2,173,888	$2,749,868	$2,069,405	$1,503,595	$5,631	$3,283,418	$3,283,418	$3,283,418	$3,283,418	$3,875,712

* INCLUDES AMORTIZATIOIN OF LOSS AND GAIN
ON REACQUIRED DEBT

TABLE ALL.3

TOTALC 3:
JULY 14TH, 1988

TOTAL ALL MAJOR ELECTRIC UTILITIES -- TOTAL COMPANY OPERATIONS
OPERATING REVENUE AND EXPENSES

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
ELECTRIC PLANT IN SERVICE										
INTANGIBLE	$1,146,986	$1,744,050	$1,756,960	$3,203,579	$11,370,664	$16,692,057	$19,247,971	$29,336,731	$43,991,947	$46,730,290
TANGIBLE	3,399,270,919	3,708,788,698	3,972,237,337	4,379,846,786	4,554,646,116	4,839,984,908	5,606,917,655	5,815,773,291	6,649,271,056	6,847,528,030
TOTAL ELECTRIC PLANT IN SERVICE	$3,400,417,905	$3,710,532,748	$3,973,994,297	$4,383,050,365	$4,566,016,780	$4,856,676,965	$5,626,165,626	$5,845,110,022	$6,693,263,003	$6,894,258,320
ACCUMULATED PROVISION FOR DEPREC. & AMORT.	$597,949,656	$674,631,944	$764,032,616	$862,445,633	$961,489,829	$1,077,089,577	$1,220,056,057	$1,355,610,876	$1,524,878,277	$1,704,546,627
NET OPERATING INCOME STATEMENT - ELECTRIC										
OPERATING REVENUES - ELECTRIC										
RESIDENTIAL SALES	$329,064,854	$375,213,758	$430,166,010	$480,955,328	$542,103,522	$632,479,255	$792,700,626	$871,713,236	$862,117,136	$868,282,474
COMMERCIAL AND INDUSTRIAL SALES	339,630,367	385,482,761	456,446,629	559,658,387	649,780,077	754,821,047	888,275,293	960,732,483	1,009,075,071	1,075,555,126
PUBLIC STREET AND HIGHWAY LIGHTING	7,185,157	7,675,127	8,401,704	9,545,810	11,325,906	12,446,357	14,323,575	14,988,628	15,349,426	15,572,380
OTHER SALES TO PUBLIC AUTHORITIES	8,852	8,895	12,467	15,213	27,290	25,387	11,652	12,001	15,836	15,402
SALES TO RAILROADS AND RAILWAYS	0	0	0	0	0	0	0	0	0	0
INTERDEPARTMENTAL SALES	138,492	180,526	280,718	432,556	526,770	526,000	581,019	274,916	792,530	2,256,476
UNBILLED REVENUES *	0	0	0	8,927,500	9,839,800	13,580,900	5,776,624	7,101,019	(16,980,121)	(4,055,274)
TOTAL SALES TO ULTIMATE CONSUMERS	676,027,722	768,561,067	895,307,528	1,059,534,794	1,213,603,365	1,413,878,946	1,701,668,789	1,854,822,283	1,870,369,878	1,957,626,584
SALES FOR RESALE	129,034,571	124,598,280	178,087,224	233,256,720	229,451,996	165,395,859	203,771,144	275,359,361	183,309,556	183,611,341
TOTAL SALES OF ELECTRICITY	805,062,293	893,159,347	1,073,394,752	1,292,791,514	1,443,055,361	1,579,274,805	1,905,439,933	2,130,181,644	2,053,679,434	2,141,237,925
OTHER OPERATING REVENUES	19,983,323	14,912,540	15,615,631	17,050,452	19,131,252	20,917,257	24,584,173	20,961,238	31,283,484	10,402,911
TOTAL ELECTRIC OPERATING REVENUES	825,045,616	908,071,887	1,089,010,383	1,309,841,966	1,462,186,613	1,600,192,062	1,930,024,106	2,151,142,882	2,084,962,918	2,151,640,836
OPERATING EXPENSES - ELECTRIC										
ENERGY PRODUCTION - STEAM	122,529,166	193,439,612	238,047,255	272,954,994	282,184,299	292,631,872	369,677,904	428,934,571	353,682,341	408,166,773
- NUCLEAR	985,154	1,192,703	1,530,084	1,906,634	1,658,976	119,247	2,248,187	2,638,493	3,039,878	3,141,601
- HYDROELECTRIC	9,505,203	9,866,713	10,967,959	12,408,585	14,463,093	14,670,549	16,448,882	16,898,693	18,037,310	16,526,753
- INTERNAL COMBUSTION	2,529,850	10,656,818	4,876,378	4,287,966	7,394,523	5,656,616	6,403,998	7,792,025	6,304,436	6,775,408
PURCHASED POWER	109,693,167	136,132,293	190,114,664	178,685,172	147,415,539	202,399,626	198,409,993	270,253,807	229,288,924	246,258,028
OTHER POWER SUPPLY	2,097,456	2,380,746	3,102,559	3,095,738	14,065,810	(9,430,147)	17,012,051	(8,320,124)	15,499,145	2,309,975
TOTAL PRODUCTION EXPENSES	247,339,996	353,668,885	448,638,899	473,339,089	467,182,240	506,047,763	610,201,015	718,197,465	625,852,034	683,178,538
TRANSMISSION	27,549,647	29,118,273	29,499,526	37,961,654	48,201,350	54,209,947	77,184,011	86,314,642	76,819,820	82,150,706
DISTRIBUTION	34,832,632	42,573,593	45,310,101	52,383,345	55,882,222	56,252,667	59,751,936	65,826,312	60,190,290	74,033,010
CUSTOMER ACCOUNTS	20,984,124	24,835,919	28,513,863	33,807,306	38,888,461	42,206,791	46,403,277	55,215,761	56,973,315	52,687,226
CUSTOMER SERVICE AND INFORMATION	5,469,151	6,257,192	8,202,843	11,151,296	12,177,707	17,077,542	18,568,601	20,544,501	19,901,830	18,914,489
SALES	116,912	115,879	111,344	134,466	117,829	135,014	132,829	2,329,263	8,211,049	8,727,081
ADMINISTRATIVE AND GENERAL	54,805,385	65,128,455	75,009,419	97,244,911	112,992,170	122,950,955	127,227,064	128,768,052	142,660,305	144,641,005
TOTAL ELECTRIC OPERATION & MAINT. EXPENSE	391,097,847	521,698,196	635,285,995	706,022,067	735,441,979	794,882,679	939,468,733	1,077,195,996	990,608,643	1,064,332,055
DEPRECIATION & AMORTIZATION	86,228,634	95,134,795	108,025,390	114,657,248	125,741,271	141,765,679	178,333,619	200,356,809	222,591,336	247,481,595
TAXES OTHER THAN FEDERAL INCOME TAXES	67,171,917	67,662,718	75,871,590	88,332,557	99,956,497	113,645,613	140,548,062	145,354,379	155,042,958	163,823,575
FEDERAL INCOME TAXES	10,335,323	(3,165,863)	843,618	8,687,202	3,121,497	(3,681,708)	30,472,751	97,327,555	111,994,115	159,340,506
INVESTMENT TAX CREDIT ADJUSTMENTS (NET)	24,569,950	6,025,487	2,754,405	25,806,873	44,945,871	16,914,198	92,317,524	55,932,764	41,702,033	8,218,387
FEDERAL INCOME TAXES DEFERRED (NET)	9,043,502	(3,444,456)	1,677,199	5,503,607	51,008,190	106,650,459	61,210,950	69,457,828	56,201,824	13,801,700
GAINS/LOSSES FROM DISP. OF UTILITY PLANT	0	0	0	0	0	(675,859)	(23,565)	0	(627)	(136,404)
TOTAL OPERATING EXPENSES	588,447,173	683,910,877	824,458,197	949,009,554	1,060,215,305	1,169,501,061	1,442,328,074	1,645,625,331	1,578,140,282	1,656,861,414
NET OPERATING INCOME	$236,598,443	$224,161,010	$264,552,186	$360,832,412	$401,971,308	$430,691,001	$487,696,032	$505,517,551	$506,822,636	$494,779,422

* UNBILLED REVENUES ARE INCLUDED IN OTHER SOURCES OF REVENUE

TABLE ALL.3S

TOTALC 3:
JULY 13TH, 1988

TOTAL ALL MAJOR ELECTRIC UTILITIES -- WASHINGTON STATE OPERATIONS
OPERATING REVENUE AND EXPENSES

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
ELECTRIC PLANT IN SERVICE										
INTANGIBLE	$516,879	$1,107,872	$1,118,440	$2,567,251	$2,779,642	$5,117,847	$5,202,602	$12,700,573	$14,901,163	$16,234,514
TANGIBLE	1,671,538,706	1,758,919,381	1,865,719,039	2,001,164,593	2,113,353,036	2,302,281,898	2,839,712,259	2,982,177,585	3,479,127,631	3,600,265,233
TOTAL ELECTRIC PLANT IN SERVICE	$1,672,055,585	$1,760,027,253	$1,866,837,479	$2,003,731,844	$2,116,132,678	$2,307,399,745	$2,844,914,861	$2,994,878,158	$3,494,028,794	$3,616,499,747
ACCUMULATED PROVISION FOR DEPREC. & AMORT.	$313,570,091	$351,165,066	$395,199,288	$441,327,310	$490,690,662	$544,528,127	$616,480,115	$681,779,297	$770,700,529	$871,307,701
NET OPERATING INCOME STATEMENT - ELECTRIC										
OPERATING REVENUES - ELECTRIC										
RESIDENTIAL SALES	$176,448,618	$209,347,530	$246,328,906	$274,126,517	$319,960,846	$384,964,910	$504,022,974	$548,409,243	$546,870,475	$540,078,281
COMMERCIAL AND INDUSTRIAL SALES	138,839,496	168,090,787	204,526,625	246,491,176	284,389,148	317,260,360	397,251,781	433,517,698	463,239,024	494,464,180
PUBLIC STREET AND HIGHWAY LIGHTING	4,214,486	4,621,293	5,076,930	5,744,356	6,989,415	7,801,427	9,307,014	9,714,350	10,073,861	10,142,169
OTHER SALES TO PUBLIC AUTHORITIES	1,107	1,108	1,003	928	928	928	940	927	865	794
SALES TO RAILROADS AND RAILWAYS	0	0	0	0	0	0	0	0	0	0
INTERDEPARTMENTAL SALES	0	0	0	0	0	0	0	0	0	207,034
UNBILLED REVENUES *	0	0	0	8,927,500	9,839,800	13,580,900	5,776,624	7,101,019	(16,980,121)	(4,055,274)
TOTAL SALES TO ULTIMATE CONSUMERS	319,503,707	382,060,718	455,933,464	535,290,477	621,180,137	723,608,525	916,359,333	998,743,237	1,003,204,104	1,040,837,184
SALES FOR RESALE	52,045,638	43,699,206	64,953,163	79,868,499	82,983,589	52,855,696	69,169,087	86,772,392	52,153,060	51,782,393
TOTAL SALES OF ELECTRICITY	371,549,345	425,759,924	520,886,627	615,158,976	704,163,726	776,464,221	985,528,420	1,085,515,629	1,055,357,164	1,092,619,577
OTHER OPERATING REVENUES	12,589,968	7,847,947	6,559,125	9,002,117	7,503,669	9,931,732	9,962,388	10,448,340	11,363,059	13,020,478
TOTAL ELECTRIC OPERATING REVENUES	384,139,313	433,607,871	527,445,752	624,161,093	711,667,395	786,395,953	995,490,808	1,095,963,969	1,066,720,223	1,105,640,055
OPERATING EXPENSES - ELECTRIC										
ENERGY PRODUCTION - STEAM	39,333,145	56,699,848	69,275,491	75,191,030	75,316,845	79,827,87[illegible]	115,830,098	126,794,808	116,007,731	135,646,986
- NUCLEAR	149,260	176,737	234,922	293,120	256,297	28,767	354,247	419,843	468,243	471,466
- HYDROELECTRIC	4,511,313	4,613,831	5,153,646	5,933,972	7,926,248	7,205,924	8,088,499	8,710,336	9,807,442	8,550,874
- INTERNAL COMBUSTION	2,302,640	7,722,092	3,006,425	3,162,930	6,779,959	5,310,160	6,164,422	7,551,698	6,069,164	6,619,818
PURCHASED POWER	69,110,186	88,376,166	137,077,585	111,561,618	117,307,942	162,642,008	163,994,297	202,031,805	162,264,048	178,819,595
OTHER POWER SUPPLY	934,354	1,113,973	1,386,117	1,396,245	11,710,165	(11,821,213)	13,390,395	(14,246,910)	8,156,272	(6,247,929)
TOTAL PRODUCTION EXPENSES	116,340,898	158,702,647	216,134,186	197,538,915	219,297,456	243,193,521	307,821,958	331,261,580	302,772,900	323,860,810
TRANSMISSION	12,836,160	13,961,190	14,403,635	18,874,451	22,065,178	26,201,789	39,609,589	44,969,244	39,988,828	45,051,786
DISTRIBUTION	20,391,486	24,854,000	25,742,759	29,869,395	33,626,214	32,517,108	34,092,589	36,190,907	35,416,777	42,048,474
CUSTOMER ACCOUNTS	11,921,662	13,581,803	16,004,626	18,500,832	21,722,492	22,924,537	25,286,548	28,935,044	29,574,380	28,099,809
CUSTOMER SERVICE AND INFORMATION	2,254,308	2,738,746	3,522,693	5,843,631	6,802,188	8,111,488	10,896,237	10,851,483	12,849,805	13,615,636
SALES	76,535	78,893	78,120	95,301	82,274	93,658	98,631	406,517	1,382,801	1,555,506
ADMINISTRATIVE AND GENERAL	27,103,981	31,120,308	37,672,444	48,587,195	55,865,954	61,653,165	66,199,868	66,556,628	73,404,364	77,376,626
TOTAL ELECTRIC OPERATION & MAINT. EXPENSE	190,925,030	245,037,587	313,558,463	319,309,720	359,461,756	394,695,266	484,005,420	519,171,403	495,389,855	531,608,647
DEPRECIATION & AMORTIZATION	37,715,565	43,720,674	49,642,821	52,451,275	57,275,805	66,697,999	92,552,579	109,786,392	124,566,835	135,636,163
TAXES OTHER THAN FEDERAL INCOME TAXES	34,507,868	39,857,162	43,579,978	50,790,662	57,965,958	68,058,830	86,411,501	92,424,117	101,147,219	103,509,569
FEDERAL INCOME TAXES	5,928,018	3,697,372	3,288,905	9,640,063	8,091,648	(9,889,646)	10,783,696	20,025,087	28,474,907	50,610,284
INVESTMENT TAX CREDIT ADJUSTMENTS (NET)	2,855,884	7,147,142	1,972,389	15,007,185	(463,908)	(18,089,596)	24,111,207	36,382,517	28,349,351	15,016,684
FEDERAL INCOME TAXES DEFERRED (NET)	7,994,836	(4,197,990)	2,744,706	5,380,766	45,077,221	90,621,148	53,203,960	54,912,805	30,188,668	12,319,449
GAINS/LOSSES FROM DISP. OF UTILITY PLANT	0	0	0	0	0	0	0	0	0	4,338
TOTAL OPERATING EXPENSES	279,927,201	335,261,947	414,787,262	452,579,671	527,408,480	592,094,001	751,068,363	832,702,321	808,116,835	848,705,134
NET OPERATING INCOME	$104,212,112	$98,345,924	$112,658,490	$171,581,422	$184,258,915	$194,301,952	$244,422,445	$263,261,648	$258,603,388	$256,934,921

* UNBILLED REVENUES ARE INCLUDED IN OTHER SOURCES OF REVENUE

TABLE ALL.4

TOTALC 4:
JULY 14TH, 1988

TOTAL ALL MAJOR ELECTRIC UTILITIES -- TOTAL COMPANY OPERATIONS
SOURCE AND DISPOSITION OF ENERGY

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
SOURCES OF ENERGY -- MEGAWATT HOURS										
GENERATION:										
STEAM	16,432,128	19,712,553	20,087,583	19,147,459	18,184,536	17,365,768	22,043,654	25,534,745	21,866,077	26,663,701
NUCLEAR	41,640	131,653	151,835	160,588	120,953	103,082	120,500	172,771	179,766	108,690
HYDROELECTRIC	9,214,703	8,120,350	8,797,016	8,731,364	9,695,913	10,206,766	9,753,812	8,628,992	8,990,171	7,530,033
INTERNAL COMBUSTION & OTHER	10,522	179,092	76,779	45,438	10,155	4,017	4,450	8,512	6,056	10,230
TOTAL GENERATION	25,698,993	28,143,648	29,113,213	28,084,849	28,011,557	27,679,633	31,922,416	34,345,020	31,042,070	34,312,654
ENERGY TRANS. FROM/TO PLANTS OUTSIDE STATE:										
RECEIVED	13,369,751	16,701,992	16,656,613	15,500,406	15,091,088	13,333,579	16,003,999	19,031,270	15,658,034	17,849,985
DELIVERED	13,369,751	16,701,992	16,656,613	15,500,406	15,091,088	13,333,579	16,003,999	19,031,270	15,658,034	17,849,985
TOTAL ENERGY TRANSFERRED	0	0	0	0	0	0	0	0	0	0
PURCHASES:										
FROM PRIVATELY-OWNED ELECTRIC UTILITIES	1,818,310	2,191,194	2,979,569	1,759,338	1,143,255	1,145,650	1,500,820	1,997,107	1,080,213	2,347,506
FROM MUNICIPAL & OTHER PUBLIC AUTHORITIES	22,418,938	18,696,210	18,389,231	22,944,953	23,656,300	23,604,410	18,389,075	20,062,651	20,430,588	17,466,080
FROM OTHER SOURCES	33,157	466,468	68,778	115,048	109,799	242,694	298,999	403,518	477,858	466,127
TOTAL PURCHASES FOR RESALE	24,270,405	21,353,872	21,437,578	24,819,339	24,909,354	24,992,754	20,188,894	22,463,276	21,988,659	20,279,713
INTERCHANGES - IN	7,990,358	10,163,224	9,528,729	11,764,643	18,281,426	15,348,524	21,545,591	23,286,238	21,744,591	18,689,125
- OUT	7,972,748	10,117,066	9,054,522	11,031,305	16,872,387	15,027,989	19,847,888	22,368,451	20,368,705	17,855,535
NET INTERCHANGES	17,610	46,158	474,207	733,338	1,409,039	320,535	1,697,703	917,787	1,375,886	833,590
TOTAL PURCHASED POWER	24,288,015	21,400,030	21,911,785	25,552,677	26,318,393	25,313,289	21,886,597	23,381,063	23,364,545	21,113,303
TRANSMISSION FOR/BY OTHERS:										
RECEIVED	6,879,991	2,647,228	10,004,572	3,290,759	2,359,595	3,476,452	3,136,716	1,573,219	1,175,299	2,220,069
DELIVERED	7,475,382	3,332,503	10,650,126	3,880,411	3,125,983	4,147,060	3,970,617	2,502,149	2,760,697	3,084,027
TOTAL TRANSMISSION	(595,391)	(685,275)	(645,554)	(589,652)	(766,388)	(670,608)	(833,901)	(928,930)	(885,398)	(863,958)
TOTAL AVAILABLE ENERGY	49,391,617	48,858,403	50,379,444	53,047,874	53,563,562	52,322,314	52,975,112	56,797,153	53,521,217	54,561,999
DISPOSITION OF ENERGY -- MEGAWATT HOURS										
RESIDENTIAL SALES	15,977,941	17,446,416	17,387,625	17,006,208	17,904,977	16,818,493	17,648,532	17,964,961	17,040,006	16,814,471
COMMERCIAL AND INDUSTRIAL SALES	18,914,084	20,430,037	20,695,375	21,283,044	20,869,351	21,377,690	22,253,432	23,260,301	23,694,954	25,170,106
PUBLIC STREET & HIGHWAY LIGHTING	168,528	167,071	166,613	165,376	161,503	148,585	143,754	142,683	139,195	139,152
OTHER SALES TO PUBLIC AUTHORITIES	219	213	649	938	2,011	1,539	102	30	25	22
SALES TO RAILROADS AND RAILWAYS	0	0	0	0	0	0	0	0	0	0
INTERDEPARTMENTAL SALES	15,502	20,055	20,573	20,825	21,990	21,505	22,179	17,226	28,683	71,924
UNBILLED MWH *	0	0	0	66,425	49,990	97,275	673	70,108	(224,274)	(82,412)
TOTAL SALES TO ULTIMATE CONSUMERS	35,076,274	38,063,792	38,270,835	38,542,816	39,009,822	38,465,087	40,068,672	41,455,309	40,678,589	42,113,263
SALES FOR RESALE	10,138,976	7,182,225	8,239,193	10,563,232	10,896,583	9,914,124	9,077,824	10,890,881	9,025,371	8,455,901
ENERGY FURNISHED WITHOUT CHARGE	422	422	416	444	395	384	374	367	374	371
ENERGY USED BY COMPANY	53,980	54,844	55,257	59,547	63,890	70,482	78,264	81,436	78,261	75,732
ENERGY LOSSES	4,121,965	3,557,120	3,813,743	3,881,835	3,592,872	3,872,237	3,749,977	4,369,161	3,738,622	3,916,732
TOTAL DISPOSITION OF ENERGY	49,391,617	48,858,403	50,379,444	53,047,874	53,563,562	52,322,314	52,975,111	56,797,154	53,521,217	54,561,999

* UNBILLED MWH ARE INCLUDED IN OTHER SOURCES OF ENERGY DISPOSITION

TABLE ALL.4S

TOTALC 4:
JULY 13TH, 1988

TOTAL ALL MAJOR ELECTRIC UTILITIES -- WASHINGTON STATE OPERATIONS
SOURCE AND DISPOSITION OF ENERGY

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
SOURCES OF ENERGY -- MEGAWATT HOURS										
GENERATION:										
STEAM	6,150,444	7,282,965	7,025,491	6,822,739	5,453,101	6,069,054	7,558,963	8,973,893	7,365,705	9,677,273
NUCLEAR	0	0	0	0	0	0	0	0	0	0
HYDROELECTRIC	3,784,796	3,431,036	4,003,295	4,052,663	4,368,846	4,558,033	4,228,917	3,469,276	3,741,063	3,427,046
INTERNAL COMBUSTION & OTHER	10,489	179,079	76,771	45,430	10,081	3,977	4,437	8,512	6,056	10,164
TOTAL GENERATION	9,945,729	10,893,080	11,105,557	10,920,832	9,832,028	10,631,064	11,792,317	12,451,681	11,112,824	13,114,483
ENERGY TRANS. FROM/TO PLANTS OUTSIDE STATE:										
RECEIVED	3,259,858	3,150,748	3,671,120	3,172,574	2,807,050	3,029,661	3,428,046	2,844,146	2,955,735	2,145,454
DELIVERED	1,333,815	1,447,200	1,803,435	1,546,162	1,346,988	1,294,108	875,214	890,101	801,594	988,988
TOTAL ENERGY TRANSFERRED	1,926,043	1,703,548	1,867,685	1,626,412	1,460,062	1,735,553	2,552,832	1,954,045	2,154,141	1,156,466
PURCHASES:										
FROM PRIVATELY-OWNED ELECTRIC UTILITIES	1,218,247	1,618,831	1,904,504	1,085,654	763,432	768,413	1,127,622	1,759,318	862,580	1,513,982
FROM MUNICIPAL & OTHER PUBLIC AUTHORITIES	18,155,251	16,262,345	16,082,168	19,199,253	20,189,111	18,947,219	16,233,582	16,614,120	16,017,978	14,927,095
FROM OTHER SOURCES	0	0	386	1	22,175	73,225	88,194	95,047	17,375	21,232
TOTAL PURCHASES FOR RESALE	19,373,498	17,881,176	17,987,058	20,284,908	20,974,718	19,788,857	17,449,398	18,468,485	16,897,933	16,462,309
INTERCHANGES - IN	1,209,836	1,662,504	2,139,842	3,202,221	3,506,256	3,023,343	4,948,931	6,245,058	5,391,098	5,375,771
- OUT	2,529,461	7,208,792	5,790,455	6,811,390	7,229,617	6,125,609	7,250,839	10,461,776	7,395,157	7,637,219
NET INTERCHANGES	(1,319,625)	(5,546,288)	(3,650,613)	(3,609,169)	(3,723,361)	(3,102,266)	(2,301,908)	(4,216,718)	(2,004,059)	(2,261,448)
TOTAL PURCHASED POWER	18,053,873	12,334,888	14,336,445	16,675,739	17,251,357	16,686,591	15,147,490	14,251,767	14,893,874	14,200,861
TRANSMISSION FOR/BY OTHERS:										
RECEIVED	904,512	1,053,791	7,665,306	1,192,746	1,272,401	1,166,352	1,176,900	1,511,098	1,275,298	1,405,477
DELIVERED	6,452,544	2,171,944	9,571,538	2,817,611	2,545,511	3,545,763	3,379,528	1,776,599	2,162,860	2,467,979
TOTAL TRANSMISSION	(5,548,032)	(1,118,153)	(1,906,232)	(1,624,865)	(1,273,110)	(2,379,411)	(2,202,628)	(265,501)	(887,562)	(1,062,502)
TOTAL AVAILABLE ENERGY	24,377,613	23,813,363	25,403,455	27,598,118	27,270,337	26,673,797	27,290,011	28,391,992	27,273,277	27,409,308
DISPOSITION OF ENERGY -- MEGAWATT HOURS										
RESIDENTIAL SALES	9,845,185	10,883,015	10,878,623	10,616,309	11,227,777	10,547,367	11,198,765	11,509,745	10,993,296	10,767,363
COMMERCIAL AND INDUSTRIAL SALES	7,800,672	8,658,521	8,698,873	9,185,989	9,330,915	9,421,845	10,111,320	10,750,232	10,979,114	11,553,092
PUBLIC STREET & HIGHWAY LIGHTING	102,674	102,582	102,512	103,807	102,092	92,073	88,379	87,914	85,493	85,351
OTHER SALES TO PUBLIC AUTHORITIES	0	0	0	0	0	0	0	0	0	0
SALES TO RAILROADS AND RAILWAYS	0	0	0	0	0	0	0	0	0	0
INTERDEPARTMENTAL SALES	0	0	0	0	0	0	0	0	0	7,468
UNBILLED MWH *	0	0	0	66,425	49,990	97,275	673	70,108	(224,274)	(82,412)
TOTAL SALES TO ULTIMATE CONSUMERS	17,748,531	19,644,118	19,680,008	19,972,530	20,710,774	20,158,560	21,399,137	22,417,999	21,833,629	22,330,862
SALES FOR RESALE	4,709,442	2,917,711	3,985,428	5,407,692	5,032,031	4,588,702	4,391,261	4,504,428	4,178,673	3,609,526
ENERGY FURNISHED WITHOUT CHARGE	376	375	375	391	373	373	374	367	374	371
ENERGY USED BY COMPANY	22,706	21,624	22,086	29,231	29,015	35,582	39,576	38,663	36,566	35,729
ENERGY LOSSES	1,896,558	1,229,535	1,715,558	2,188,274	1,498,144	1,890,580	1,459,662	1,430,537	1,224,035	1,432,820
TOTAL DISPOSITION OF ENERGY	24,377,613	23,813,363	25,403,455	27,598,118	27,270,337	26,673,797	27,290,010	28,391,994	27,273,277	27,409,308

* UNBILLED MWH ARE INCLUDED IN OTHER SOURCES OF ENERGY DISPOSITION

ANNUAL STATISTICS

of

TELECOMMUNICATIONS COMPANIES

1979-1987

Prepared by Revenue Requirements Section

September, 1988

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION
Olympia, Washington
98504

ANNUAL STATISTICS

OF

TELECOMMUNICATIONS COMPANIES

1979-1987

Prepared by Revenue Requirements Section
September, 1988

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION
Olympia, Washington 98504

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TABLE ALL.5

TOTALC 5:
JULY 14TH, 1988

TOTAL ALL MAJOR ELECTRIC UTILITIES -- TOTAL COMPANY OPERATIONS
SALES, REVENUE AND CUSTOMERS

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
AVERAGE NUMBER OF ELECTRIC CUSTOMERS PER MONTH										
RESIDENTIAL	1,139,644	1,191,872	1,232,721	1,262,003	1,278,362	1,295,969	1,309,605	1,330,073	1,353,730	1,374,052
COMMERCIAL AND INDUSTRIAL	200,530	209,006	212,704	217,691	220,201	222,757	223,443	226,453	229,383	233,136
PUBLIC STREET & HIGHWAY LIGHTING	2,298	2,338	2,463	2,684	2,829	2,958	3,036	3,226	3,324	3,427
OTHER PUBLIC AUTHORITIES	15	15	16	15	15	15	13	14	14	14
RAILROADS AND RAILWAYS	0	0	0	0	0	0	0	0	0	0
INTERDEPARTMETAL	11	11	11	11	11	11	10	6	5	6
TOTAL ULTIMATE CONSUMERS	1,342,498	1,403,242	1,447,915	1,482,404	1,501,418	1,521,710	1,536,107	1,559,772	1,586,456	1,610,635
RESALE	60	54	59	59	45	45	44	52	43	45
TOTAL ELECTRIC CUSTOMERS	1,342,558	1,403,296	1,447,974	1,482,463	1,501,463	1,521,755	1,536,151	1,559,824	1,586,499	1,610,680
AVERAGE ELECTRIC REVENUE PER MWH SOLD										
RESIDENTIAL	$20.59	$21.51	$24.74	$28.28	$30.28	$37.61	$44.92	$48.52	$50.59	$51.64
COMMERCIAL AND INDUSTRIAL	17.96	18.87	22.06	26.30	31.14	35.31	39.92	41.30	42.59	42.73
PUBLIC STREET & HIGHWAY LIGHTING	42.63	45.94	50.43	57.72	70.13	83.77	99.64	105.05	110.27	111.91
OTHER PUBLIC AUTHORITIES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RAILROADS AND RAILWAYS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
INTERDEPARTMENTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RESALE	12.73	17.35	21.61	22.08	21.06	16.68	22.45	25.28	20.31	21.71
AVERAGE REVENUE PER ELECTRIC CUSTOMER										
RESIDENTIAL	$288.74	$314.81	$348.96	$381.10	$424.06	$488.04	$605.30	$655.39	$636.85	$631.91
COMMERCIAL AND INDUSTRIAL	1,693.66	1,844.36	2,145.92	2,570.88	2,950.85	3,388.54	3,975.40	4,242.52	4,399.08	4,613.42
PUBLIC STREETS & HIGHWAY LIGHTING	3,126.70	3,282.77	3,411.17	3,556.56	4,003.50	4,207.69	4,717.91	4,646.20	4,617.76	4,544.03
OTHER PUBLIC AUTHORITIES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RAILROADS AND RAILWAYS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
INTERDEPARTMENTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RESALE	2,150,576.18	2,307,375.56	3,018,427.53	3,953,503.73	5,098,933.24	3,675,463.53	4,631,162.36	5,295,372.33	4,263,012.93	4,080,252.02
AVERAGE MWH SOLD PER ELECTRIC CUSTOMER										
RESIDENTIAL	14.02	14.64	14.11	13.48	14.01	12.98	13.48	13.51	12.59	12.24
COMMERCIAL AND INDUSTRIAL	94.32	97.75	97.30	97.77	94.77	95.97	99.59	102.72	103.30	107.96
PUBLIC STREET & HIGHWAY LIGHTING	73.34	71.46	67.65	61.62	57.09	50.23	47.35	44.23	41.88	40.60
OTHER PUBLIC AUTHORITIES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RAILROADS AND RAILWAYS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
INTERDEPARTMENTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RESALE	168,982.93	133,004.17	139,647.34	179,037.83	242,146.29	220,313.87	206,314.18	209,440.02	209,892.35	187,908.91

TABLE ALL.5S

TOTALC 5:
JULY 13TH, 1988

TOTAL ALL MAJOR ELECTRIC UTILITIES -- WASHINGTON STATE OPERATIONS
SALES, REVENUE AND CUSTOMERS

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
AVERAGE NUMBER OF ELECTRIC CUSTOMERS PER MONTH										
RESIDENTIAL	644,507	679,090	704,457	723,643	737,044	750,704	770,044	789,329	809,624	829,081
COMMERCIAL AND INDUSTRIAL	81,195	85,776	88,557	91,442	92,916	95,668	98,265	101,038	103,749	107,090
PUBLIC STREET & HIGHWAY LIGHTING	1,238	1,265	1,319	1,403	1,444	1,485	1,500	1,528	1,556	1,610
OTHER PUBLIC AUTHORITIES	4	4	4	3	3	3	3	3	2	2
RAILROADS AND RAILWAYS	0	0	0	0	0	0	0	0	0	0
INTERDEPARTMETAL	0	0	0	0	0	0	0	0	0	0
TOTAL ULTIMATE CONSUMERS	726,944	766,135	794,337	816,491	831,407	847,860	869,812	891,898	914,931	937,783
RESALE	34	29	33	31	20	20	21	25	23	25
TOTAL ELECTRIC CUSTOMERS	726,978	766,164	794,370	816,522	831,427	847,880	869,833	891,923	914,954	937,808
AVERAGE ELECTRIC REVENUE PER MWH SOLD										
RESIDENTIAL	$17.92	$19.24	$22.64	$25.82	$28.50	$36.50	$45.01	$47.65	$49.75	$50.16
COMMERCIAL AND INDUSTRIAL	17.80	19.41	23.51	26.83	30.48	33.67	39.29	40.33	42.19	42.80
PUBLIC STREET & HIGHWAY LIGHTING	41.05	45.05	49.53	55.34	68.46	84.73	105.31	110.50	117.83	118.83
OTHER PUBLIC AUTHORITIES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RAILROADS AND RAILWAYS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
INTERDEPARTMENTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RESALE	11.05	14.98	16.30	14.77	16.49	11.52	15.75	19.26	12.48	14.35
AVERAGE REVENUE PER ELECTRIC CUSTOMER										
RESIDENTIAL	$273.77	$308.28	$349.67	$378.81	$434.11	$512.81	$654.54	$694.78	$675.46	$651.42
COMMERCIAL AND INDUSTRIAL	1,709.95	1,959.65	2,309.55	2,695.60	3,060.71	3,316.26	4,042.66	4,290.64	4,465.00	4,617.28
PUBLIC STREETS & HIGHWAY LIGHTING	3,404.27	3,653.20	3,849.08	4,094.34	4,840.32	5,253.49	6,204.68	6,357.56	6,474.20	6,299.48
OTHER PUBLIC AUTHORITIES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RAILROADS AND RAILWAYS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
INTERDEPARTMENTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RESALE	1,530,754.06	1,506,869.17	1,968,277.67	2,576,403.19	4,149,179.45	2,642,784.80	3,293,766.05	3,470,895.68	2,267,524.35	2,071,295.72
AVERAGE MWH SOLD PER ELECTRIC CUSTOMER										
RESIDENTIAL	15.28	16.03	15.44	14.67	15.23	14.05	14.54	14.58	13.58	12.99
COMMERCIAL AND INDUSTRIAL	96.07	100.94	98.23	100.46	100.42	98.48	102.90	106.40	105.82	107.88
PUBLIC STREET & HIGHWAY LIGHTING	82.94	81.09	77.72	73.99	70.70	62.00	58.92	57.54	54.94	53.01
OTHER PUBLIC AUTHORITIES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RAILROADS AND RAILWAYS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
INTERDEPARTMENTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RESALE	138,513.00	100,610.72	120,770.55	174,441.68	251,601.55	229,435.10	209,107.67	180,177.12	181,681.43	144,381.04

TABLE ALL.6

TOTALC 6:
JULY 14TH, 1988

TOTAL ALL MAJOR ELECTRIC UTILITIES -- TOTAL COMPANY OPERATIONS
PLANT AND ELECTRIC DIVISION STATISTICS

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
PLANT STATISTICS										
GENERATING CAPACITY (MW)*										
STEAM	3454.2	3791.3	3775.6	3775.6	3740.4	3791.1	4174.6	4176.9	4560.6	4560.6
NUCLEAR	28.3	30.4	30.4	30.4	30.4	30.4	30.4	30.4	30.0	30.0
HYDROELECTRIC	1940.6	1940.6	1908.7	1917.2	1917.1	1917.1	1915.9	1904.0	1904.6	1904.6
INTERNAL COMBUSTION AND OTHER	218.8	218.8	218.8	574.8	568.0	568.4	815.6	799.9	800.1	800.1
TOTAL GENERATING CAPACITY	5,641.8	5,981.1	5,933.5	6,298.0	6,255.9	6,307.0	6,936.5	6,911.2	7,295.3	7,295.3
MILES OF TRANSMISSION POLE LINES (ROUNDED)	9,555	9,576	9,684	10,759	10,833	10,962	11,195	11,512	11,483	11,471
NUMBER OF LINE TRANSFORMERS	510,557	533,967	548,573	563,081	570,654	572,504	581,600	591,724	599,140	563,786
CAPACITY OF ALL LINE TRANSFORMERS-KVA-ROUNDED	15,591,814	16,832,719	17,567,811	18,271,767	18,763,500	19,140,000	19,736,000	20,414,000	21,011,000	20,930,000
NUMBER OF METERS	1,427,614	1,477,624	1,542,919	1,575,458	1,598,662	1,596,275	1,666,754	1,702,574	1,716,348	1,735,553
ELECTRIC DIVISION STATISTICS										
TOTAL PLANT IN SERVICE PER DOLLAR OF OP. REV.	$4.12	$4.09	$3.65	$3.35	$3.12	$3.04	$2.92	$2.72	$3.21	$3.20
PERCENT OF OPERATING REVENUES:										
OPERATION & MAINTENANCE EXPENSES	47.40	57.45	58.34	53.90	50.30	49.67	48.68	50.08	47.51	49.47
TOTAL OPERATING EXPENSES	71.32	75.31	75.71	72.45	72.51	73.09	74.73	76.50	75.69	77.00
FEDERAL INCOME TAX - NET	4.23	0.31	0.33	2.63	3.29	0.83	6.36	7.12	7.37	7.79
FEDERAL INCOME TAX - DEFERRED	1.10	(0.38)	0.15	0.42	3.49	6.66	3.17	3.23	2.70	0.64
NET OPERATING INCOME	28.68	24.69	24.29	27.55	27.49	26.91	25.27	23.50	24.31	23.00
DEP./AMORT. EXP. TO TOTAL PLNT IN SERVICE (%)	2.54	2.56	2.72	2.62	2.75	2.92	3.17	3.43	3.33	3.59
INTANGIBLE TO TOTAL PLANT IN SERVICE (%)	0.03	0.05	0.04	0.07	0.25	0.34	0.34	0.50	0.66	0.68
ENERGY PRODUCTION EXPENSES PER GENERATED MWH										
STEAM	$7.46	$9.81	$11.85	$14.26	$15.52	$16.85	$16.77	$16.80	$16.17	$15.31
NUCLEAR	23.66	9.06	10.08	11.87	13.72	1.16	18.66	15.27	16.91	28.90
HYDROELECTRIC	1.03	1.22	1.25	1.42	1.49	1.44	1.69	1.96	2.01	2.19
OTHER	240.43	59.50	63.51	94.37	728.17	1,408.17	1,439.10	915.42	1,041.02	662.31
COST PER MWH PURCHASES ($)	$4.52	$6.36	$8.68	$6.99	$5.60	$8.00	$9.07	$11.56	$9.81	$11.66
MWH PURCHASED TO TOTAL AVAILABLE (%)	49.17	43.80	43.49	48.17	49.13	48.38	41.31	41.17	43.65	38.70
MWH LOST TO TOTAL AVAILABLE (%)	8.35	7.28	7.57	7.32	6.71	7.40	7.08	7.69	6.99	7.18

*IN COMPLIANCE WITH F.P.C. ORDER NO. 269, DATED AUGUST 1,1974, REPORTING REQUIREMENTS ELIMINATED GENERATING STATIONS OF CERTAIN MINIMUM CAPACITIES.

TABLE ALL.6S

TOTALC 6:
JULY 13TH, 1988

TOTAL ALL MAJOR ELECTRIC UTILITIES -- WASHINGTON STATE OPERATIONS
PLANT AND ELECTRIC DIVISION STATISTICS

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
PLANT STATISTICS										
GENERATING CAPACITY (MW)*										
STEAM	1370.1	1368.2	1368.2	1368.2	1368.5	1419.2	1613.1	1615.4	1809.9	1809.9
NUCLEAR	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
HYDROELECTRIC	934.5	934.5	899.1	907.5	907.5	907.5	907.1	895.2	895.2	895.2
INTERNAL COMBUSTION AND OTHER	195.0	195.0	195.0	551.0	544.2	544.6	791.8	776.1	776.1	776.1
TOTAL GENERATING CAPACITY	2,499.5	2,497.6	2,462.2	2,826.7	2,820.2	2,871.3	3,312.0	3,286.7	3,481.2	3,481.2
MILES OF TRANSMISSION POLE LINES (ROUNDED)	2,945	2,838	2,830	3,434	3,481	3,583	3,858	4,218	4,186	4,190
NUMBER OF LINE TRANSFORMERS	268,729	282,192	290,722	298,957	303,262	307,739	315,479	322,437	327,488	318,971
CAPACITY OF ALL LINE TRANSFORMERS-KVA-ROUNDED	9,256,470	10,039,338	10,476,687	10,850,017	11,120,500	11,400,000	11,839,000	12,265,000	12,659,000	12,575,000
NUMBER OF METERS	794,491	830,943	876,542	903,145	918,442	938,919	966,383	999,644	1,013,242	1,033,250
ELECTRIC DIVISION STATISTICS										
TOTAL PLANT IN SERVICE PER DOLLAR OF OP. REV.	$4.35	$4.06	$3.54	$3.21	$2.97	$2.93	$2.86	$2.73	$3.28	$3.27
PERCENT OF OPERATING REVENUES:										
OPERATION & MAINTENANCE EXPENSES	49.70	56.51	59.45	51.16	50.51	50.19	48.62	47.37	46.44	48.08
TOTAL OPERATING EXPENSES	72.87	77.32	78.64	72.51	74.11	75.29	75.45	75.98	75.76	76.76
FEDERAL INCOME TAX - NET	2.29	2.50	1.00	3.95	1.07	(3.56)	3.51	5.15	5.33	5.94
FEDERAL INCOME TAX - DEFERRED	2.08	(0.97)	0.52	0.86	6.33	11.52	5.34	5.01	2.83	1.11
NET OPERATING INCOME	27.13	22.68	21.36	27.49	25.89	24.71	24.55	24.02	24.24	23.24
DEP./AMORT. EXP. TO TOTAL PLNT IN SERVICE (%)	2.26	2.48	2.66	2.62	2.71	2.89	3.25	3.67	3.57	3.75
INTANGIBLE TO TOTAL PLANT IN SERVICE (%)	0.03	0.06	0.06	0.13	0.13	0.22	0.18	0.42	0.43	0.45
ENERGY PRODUCTION EXPENSES PER GENERATED MWH										
STEAM	$6.40	$7.79	$9.86	$11.02	$13.81	$13.15	$15.32	$14.13	$15.75	$14.02
NUCLEAR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
HYDROELECTRIC	1.19	1.34	1.29	1.46	1.81	1.58	1.91	2.51	2.62	2.50
OTHER	219.53	43.12	39.16	69.62	672.55	1,335.22	1,389.32	887.18	1,002.17	651.30
COST PER MWH PURCHASES ($)	$3.83	$7.16	$9.56	$6.69	$6.80	$9.75	$10.83	$14.18	$10.89	$12.59
MWH PURCHASED TO TOTAL AVAILABLE (%)	74.06	51.80	56.44	60.42	63.26	62.56	55.51	50.20	54.61	51.81
MWH LOST TO TOTAL AVAILABLE (%)	7.78	5.16	6.75	7.93	5.49	7.09	5.35	5.04	4.49	5.23

*IN COMPLIANCE WITH F.P.C. ORDER NO. 269, DATED AUGUST 1,1974, REPORTING REQUIREMENTS ELIMINATED GENERATING STATIONS OF CERTAIN MINIMUM CAPACITIES.

INTRODUCTION

This report presents comparable annual statistics on local exchange telecommunication companies. The statistics presented herein include schedules covering operations for Class A local exchange telecommunications companies (gross operating revenue exceeding $100,000) and Class B local exchange telecommunications companies ($100,000 or less).

The statistics presented in this report are from the company annual reports submitted to the Commission every year as part of the regulatory activities.

The telecommunication companies have started reporting access revenue and expenses from the year 1984. This should be considered while comparing the various revenue statistics.

Table I presents the source and distribution of revenue generated in the Washington State Operations only (not on a total company basis). Net Operating Income, after expenses and taxes are paid, forms about 18-20 percent of the revenue generated in Washington State.

Charts I and II reflect the distribution of revenue both in dollars and relative terms.

Of all the telecommunication companies providing local telecommunication services, the following six companies account for 98 percent of the revenue generated in the state.

MAJOR REVENUE GENERATING TELECOMMUNICATION COMPANIES

(Washington State Operations)

	OPERATING REVENUE 1987 ($ million)	1986 ($ million)
Pacific Northwest Bell Telephone Company	1,042.9	978.9
General Telephone Company of the Northwest, Inc.	363.7	368.4
Telephone Utilities of Washington, Inc.	51.0	48.4
Continental Telephone Company of the Northwest, Inc.	46.9	46.9
United Telephone Company of the Northwest	37.4	40.5
Ellensburg Telephone Company	8.8	9.2
Total Major Companies	1,550.6	1,490.3
Total Washington State Revenue	1,583.2	1,523.5

Detailed summary Tables II through VI describe the financial statements at the total company and state level of operations. Individual companies tables are given in Appendix.

CAUTIONARY NOTE

As in any attempt to develop continuous and comparable time series data, one of the main problems is to ensure comparability of various data elements. Though comparability is certain at broad group levels, the individual data elements that are added due to changes in accounting systems pose a continuous problem for comparison over time. For instance, in the table, "Net Operating Income and Plant Statistics" access revenues and expenses first appear in 1984. Company mergers cause difficulties with comparability as well. For example, in 1984 Prescott Telephone Company merged with Inland Telephone Company. In order to ensure comparability over time, both companies' data are summed and presented for all years as Inland Telephone Company. Such problems are under continuous investigation and changes and improvements are incorporated as and when they become appropriate.

Readers are requested to send their suggestions and comments to the attention of Dr. S. Ananda Rao, Coordinator, Reports and Statistics, either in writing or by phone (206)753-3006.

TABLE I:
SEPT.13TH, 1988 :TOTSUM.WK1:

TABLE I

TOTAL TELEPHONE UTILITIES -- WASHINGTON OPERATIONS ONLY
SOURCES AND DISTRIBUTION OF REVENUE AND EXPENDITURE

SOURCES OF REVENUE:	1979	1980	1981	1982	1983	1984	1985	1986	1987
LOCAL SERVICE	$410,630,643	$467,034,290	$542,390,306	$620,050,879	$661,556,508	$577,565,789	$596,290,051	$575,317,474	$642,423,784
ACCESS REVENUES	0	0	0	0	0	404,369,856	470,717,186	473,434,266	502,056,165
TOLL SERVICE	522,144,593	595,795,451	693,917,649	766,038,406	802,100,919	297,360,895	294,476,778	315,776,948	276,824,727
MISCELLANEOUS	66,589,642	79,619,605	89,028,279	103,407,817	120,074,427	180,480,190	171,644,694	170,404,752	170,267,454
UNCOLLECTIBLES -- DEBIT	6,923,763	9,839,239	12,919,702	16,325,879	17,665,619	7,875,068	9,712,312	11,454,727	8,372,575
TOTAL OPERATING REVENUES	$992,441,115	$1,132,610,107	$1,312,416,532	$1,473,171,223	$1,566,066,235	$1,451,901,662	$1,523,416,397	$1,523,478,713	$1,583,199,556
DISTRIBUTION OF REVENUE BY SOURCES(%)									
LOCAL SERVICE	41.38	41.24	41.33	42.09	42.24	39.78	39.14	37.76	40.58
ACCESS REVENUES	0.00	0.00	0.00	0.00	0.00	27.85	30.90	31.08	31.71
TOLL SERVICE	52.61	52.60	52.87	52.00	51.22	20.48	19.33	20.73	17.49
MISCELLANEOUS	6.71	7.03	6.78	7.02	7.67	12.43	11.27	11.19	10.75
UNCOLLECTIBLES -- DEBIT	0.70	0.87	0.98	1.11	1.13	0.54	0.64	0.75	0.53
TOTAL DISTRIBUTION(%)	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
SOURCES OF EXPENDITURE:									
OPERATING EXPENSES	$506,682,159	$566,323,457	$662,326,447	$755,228,506	$771,973,874	$687,009,521	$705,435,436	$700,552,981	$669,956,980
DEPRECIATION AND AMORTIZATION	146,646,958	168,687,271	187,111,600	218,876,443	267,599,426	249,991,122	264,270,312	307,752,447	339,901,248
TAXES	153,886,787	166,467,472	208,932,820	233,648,460	248,368,950	236,353,400	251,008,523	235,397,154	249,261,912
TOTAL EXPENDITURE	$807,215,904	$901,478,200	$1,058,370,867	$1,207,753,409	$1,287,942,250	$1,173,354,043	$1,220,714,271	$1,243,702,582	$1,259,120,140
NET OPERATING INCOME	$185,225,209	$231,131,907	$254,045,666	$265,417,814	$278,123,985	$278,547,618	$302,702,127	$279,776,131	$324,079,416
DISTRIBUTION OF REVENUE(%)									
OPERATING EXPENSES	51.05	50.00	50.47	51.27	49.29	47.32	46.31	45.98	42.32
DEPRECIATION AND AMORTIZATION	14.78	14.89	14.26	14.86	17.09	17.22	17.35	20.20	21.47
TAXES	15.51	14.70	15.92	15.86	15.86	16.28	16.48	15.45	15.74
NET OPERATING INCOME	18.66	20.41	19.36	18.02	17.76	19.19	19.87	18.36	20.47
TOTAL DISTRIBUTION(%)	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00

SOURCE: TABLE V

CHART I
TELEPHONE UTILITIES
State of Washington Operations
DISTRIBUTION OF
TOTAL OPERATING REVENUES

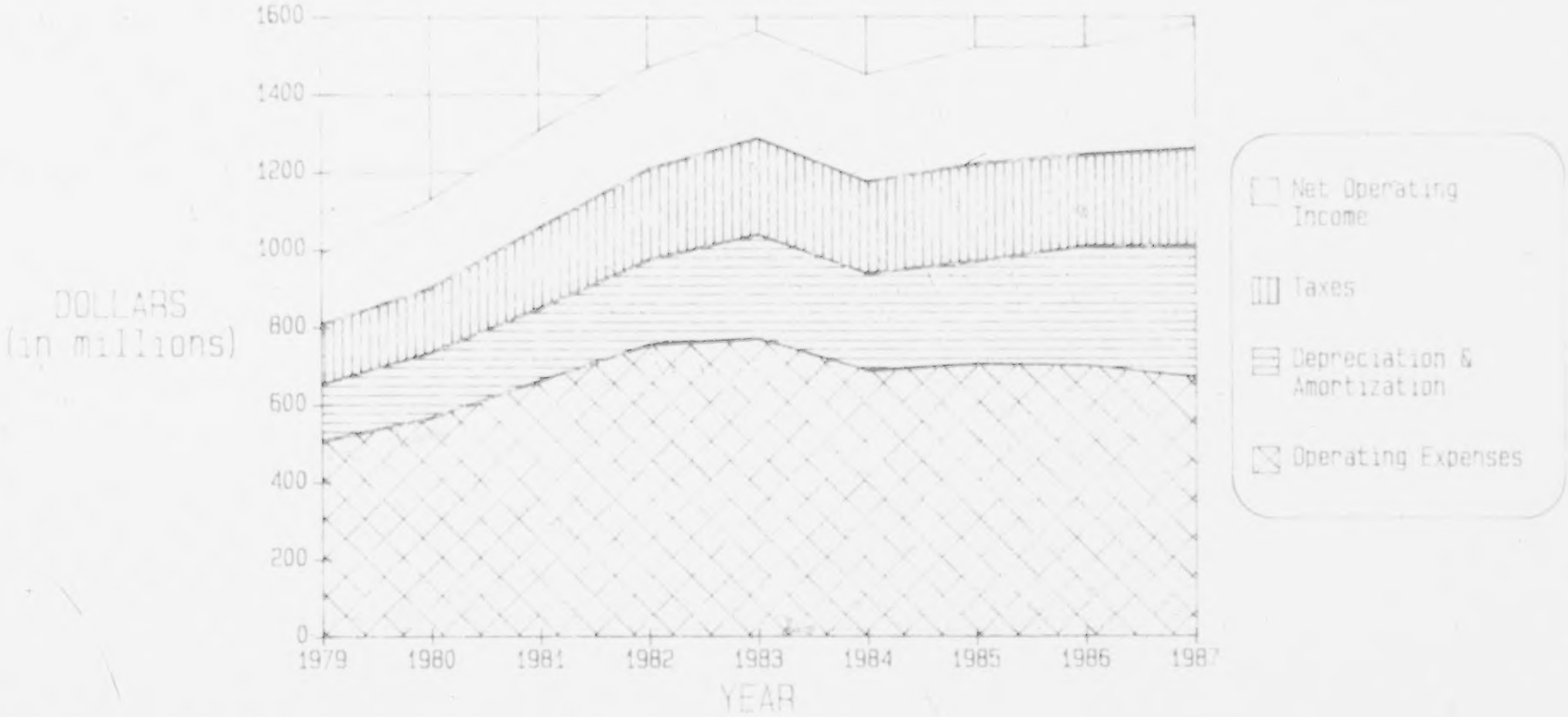

CHART II
TELEPHONE UTILITIES
State of Washington Operations
DISTRIBUTION OF
TOTAL OPERATING REVENUES

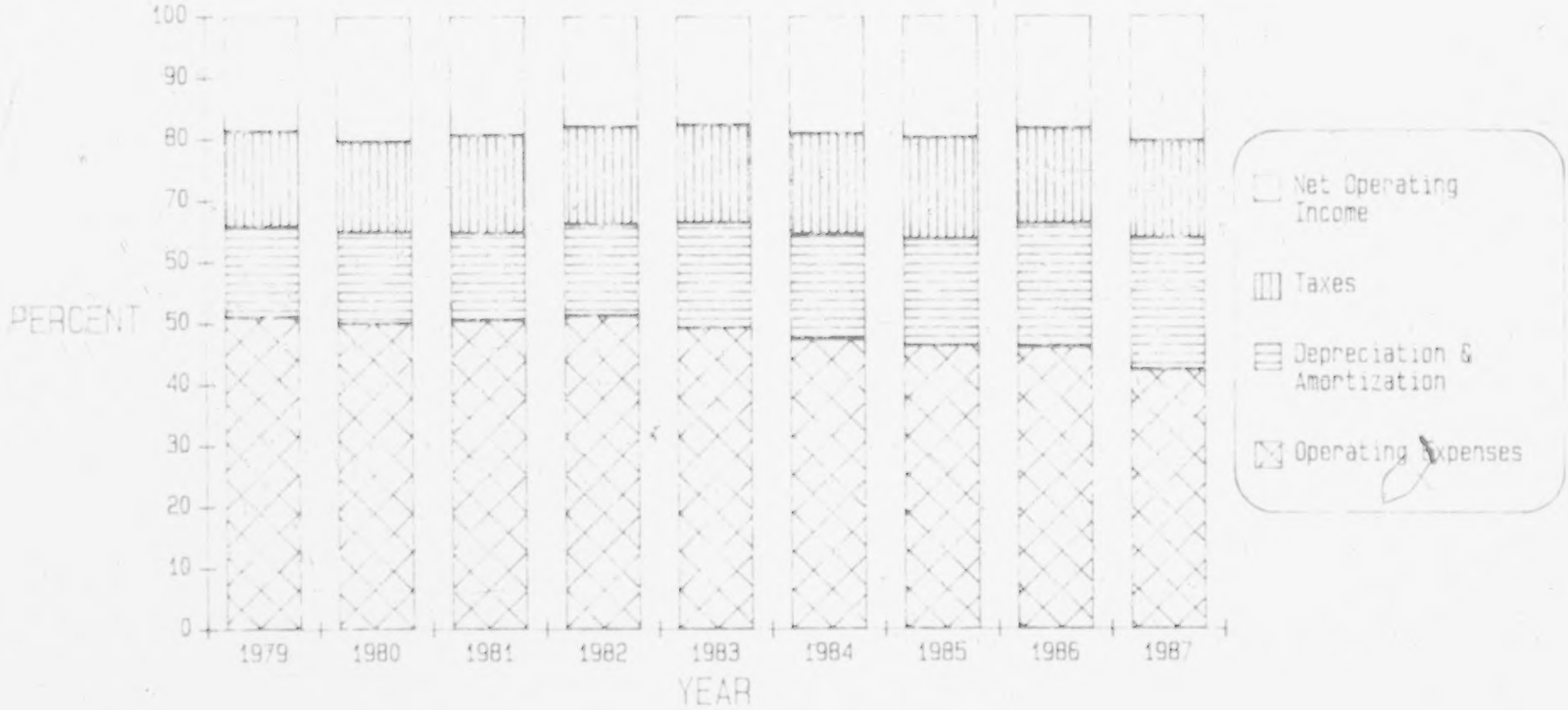

TABLE II

BLOCK 1: BALANCE SHEET -- ASSETS
SEPT.13TH, 1988 :TOTSUM.WK1:

TOTAL ALL COMPANIES -- TOTAL COMPANY OPERATIONS
BALANCE SHEET - ASSETS AND OTHER DEBITS

		1979	1980	1981	1982	1983	1984	1985	1986	1987
TELEPHONE PLANT										
100.1	TELEPHONE PLANT IN SERVICE	$4,550,555,150	$5,207,306,029	$5,735,080,209	$6,164,463,703	$6,438,402,696	$6,142,514,271	$6,539,489,810	$6,934,162,397	$7,225,259,355
100.2	TELEPHONE PLANT UNDER CONSTRUCTION	278,828,479	242,139,125	270,682,678	210,931,565	196,573,382	219,739,652	207,107,294	137,141,665	123,561,751
100.3	PROPERTY HELD FOR FUTURE TELEPHONE USE	4,402,885	1,256,580	1,230,517	303,376	300,555	231,363	141,805	245,064	979,433
100.4	TELEPHONE PLANT ACQUISITION ADJUSTMENT	150,748	128,655	106,562	84,610	2,470	79,456	77,236	169,258	2,819,038
171	LESS: DEPRECIATION RESERVE	842,837,171	911,674,478	1,001,955,414	1,144,584,550	1,401,471,907	1,470,341,277	1,710,616,659	1,938,566,382	2,173,477,610
172	AMORTIZATION RESERVE	3,899	322	345	368	392	415	438	(883,425)	484
	TOTAL NET TELEPHONE PLANT	$3,991,096,192	$4,539,155,589	$5,005,144,207	$5,231,198,336	$5,233,806,804	$4,892,223,050	$5,036,199,048	$5,134,035,427	$5,179,141,483
INVESTMENTS AND FUNDS										
101.1	INVESTMENTS IN AFFILIATED COMPANIES	$5,085,580	$5,270,719	$5,591,848	$6,039,886	$6,653,706	$9,930,738	$7,586,693	$7,549,583	$2,468,989
101.2	ADVANCES TO AFFILIATED COMPANIES	500,045	500,045	500,000	500,000	839,122	72,793	219,663	183,465	0
102	OTHER INVESTMENTS	1,461,737	2,970,213	2,050,991	2,105,745	1,464,000	9,106,401	9,170,441	9,071,423	8,994,782
103	MISCELLANEOUS PHYSICAL PROPERTY	3,404,096	8,341,466	8,413,767	10,492,823	16,234,310	16,454,620	12,793,460	11,773,587	12,182,708
104	SINKING FUNDS(EXCLUDING OWN ISSUES)	175,250	175,000	242,000	282,000	227,000	142,000	0	0	87,500
106	NONREGULATED INVESTMENT	0	0	0	0	0	0	13,895,048	28,905,209	25,229,106
136	PROVIDENT FUNDS(EXCLUDING OWN ISSUES)	4,749	5,274	5,823	6,399	7,027	7,736	22,271	9,700	12,172,485
	TOTAL INVESTMENTS AND FUNDS	$10,631,457	$17,262,717	$16,804,429	$19,426,853	$25,425,165	$35,714,288	$43,687,576	$57,492,967	$61,135,570
CURRENT ASSETS										
113	CASH	$578,019	$9,446,325	$7,076,816	$7,450,230	$6,754,066	$8,451,364	$17,027,593	$16,488,820	$12,927,515
114	SPECIAL CASH DEPOSITS	215,715	228,572	219,968	407,514	1,222,225	299,950	626,431	1,036,568	1,334,066
115	WORKING FUNDS	1,104,578	1,250,880	1,032,195	962,400	744,741	449,325	685,721	479,866	550,482
116	TEMPORARY CASH INVESTMENTS	10,745,545	3,151,327	5,694,296	4,640,955	11,030,765	70,237,947	68,154,505	28,714,756	68,887,134
117.1	NOTES RECEIVABLE FROM AFFILIATED COMPANIES	2,260,000	3,430,000	4,116,000	3,645,000	23,720,000	18,522,000	2,874,181	2,684,744	3,443,549
117.2	OTHER NOTES RECEIVABLE	32,294	180,670	80,168	150,400	142,892	434,442	264,321	42,294	47,668
118	DUE FROM CUSTOMERS AND AGENTS	185,785,932	213,314,139	262,769,205	266,418,622	298,063,114	276,712,378	306,482,842	271,348,848	324,103,110
120.1	ACCTS RECEIVABLE FROM AFFILIATED COMPANIES	3,500,840	3,500,828	7,322,957	4,474,132	19,673,216	14,660,666	16,105,660	19,966,230	16,428,271
120.2	OTHER ACCOUNTS RECEIVABLE	37,068,099	53,173,903	48,116,766	25,610,322	35,867,908	131,199,837	123,306,371	124,330,436	109,064,297
121	INTEREST AND DIVIDENDS RECEIVABLE	3,759	15,877	39,527	29,903	54,758	692,966	380,163	130,479	254,619
122	MATERIAL AND SUPPLIES	57,294,114	60,219,853	46,841,231	46,828,951	50,232,414	48,419,790	49,750,555	43,910,347	38,064,470
123	OTHER CURRENT ASSETS	647,401	1,375,239	927,408	1,135,763	1,579,738	5,363,033	611,300	1,026,941	(52,704)
	TOTAL CURRENT ASSETS	$299,236,296	$349,287,613	$384,236,537	$361,754,192	$449,085,837	$575,443,698	$586,269,642	$510,160,329	$575,052,478
PREPAID ACCOUNTS AND DEFERRED CHARGES										
129	PREPAID RENTS	$1,036,349	$369,941	$1,436,506	$1,822,712	$1,217,443	$1,063,715	$989,393	$1,107,598	$3,799,392
130	PREPAID TAXES	500,127	493,776	266,262	250,357	556,317	352,040	182,970	410,430	302,343
131	PREPAID INSURANCE	387,471	441,177	452,033	387,918	439,298	1,228,811	1,484,565	1,473,613	1,510,358
132	PREPAID DIRECTORY EXPENSESS	23,569,608	27,301,077	31,526,319	33,456,611	36,924,437	360,284	317,486	426,026	439,200
133	OTHER PREPAYMENTS	1,666,329	2,519,217	1,678,066	1,507,604	950,737	1,178,842	539,334	780,084	674,913
135	DISCOUNT ON LONG-TERM DEBT	10,110,679	13,853,788	13,351,151	12,841,806	12,281,637	11,723,267	11,226,577	56,492,615	55,327,119
138	EXTRAORDINARY MAINTENANCE & RETIREMENTS	7,200	6,000	4,800	10,190	5,093	66,564	32,682	8,126	0
139	OTHER DEFERRED CHARGES	16,892,565	15,601,400	11,074,683	11,850,444	13,020,543	12,415,329	16,008,365	30,119,726	37,820,474
	TOTAL PREPAID ACCOUNTS & DEFERRED CHARGES	$54,170,328	$60,586,376	$59,789,820	$62,127,642	$65,395,505	$28,388,852	$30,781,373	$90,818,218	$99,873,799
	TOTAL ASSETS AND OTHER DEBITS	$4,355,134,272	$4,966,292,294	$5,465,974,994	$5,674,507,023	$5,773,713,311	$5;531,769,888	$5,696,937,639	$5,792,506,941	$5,915,203,329

TABLE III

BLOCK 2: BALANCE SHEET -- LIABILITIES
SEPT.13TH, 1988 :TOTSUM.WK1:

TOTAL ALL COMPANIES -- TOTAL COMPANY OPERATIONS
BALANCE SHEET -- LIABILITIES AND OTHER CREDITS

		1979	1980	1981	1982	1983	1984	1985	1986	1987
STOCKHOLDERS EQUITY										
150	CAPITAL STOCK (ACTUALLY OUTSTANDING)	$1,008,028,555	$1,186,038,641	$1,634,307,681	$1,638,554,205	$1,630,513,066	$1,414,173,441	$1,416,662,499	$1,402,010,964	$1,478,184,318
152	PREMIUM ON CAPITAL STOCK	145,123,045	13,959,000	14,677,841	15,074,101	15,604,329	16,154,306	16,684,250	17,894,394	18,685,111
179	OTHER CAPITAL	12,833,843	12,975,178	15,747,746	16,747,746	19,595,500	20,125,537	20,219,276	20,218,974	20,252,661
180	RETAINED EARNINGS RESERVED	13,721,198	20,630,844	20,630,844	20,630,843	20,630,844	20,630,843	20,630,844	20,509,691	20,507,840
181	UNAPPROPRIATED RETAINED EARNINGS	567,973,014	640,308,971	712,394,554	767,180,784	801,304,102	702,982,876	731,159,540	738,262,294	769,655,187
134.1	LESS DISCOUNT ON CAPITAL STOCK	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
134.2	LESS CAPITAL STOCK EXPENSE	88,476	88,476	88,476	88,476	88,476	87,226	87,934	87,226	87,226
	TOTAL NET STOCKHOLDERS' EQUITY	$1,747,586,179	$1,873,819,158	$2,397,665,190	$2,458,094,203	$2,487,554,365	$2,173,974,777	$2,205,263,475	$2,198,804,091	$2,307,192,891
LONG-TERM DEBT										
154.1	FUNDED DEBT	$1,442,798,346	$1,691,805,212	$1,668,469,693	$1,662,312,784	$1,652,777,694	$1,612,671,631	$1,608,551,103	$1,612,813,285	$1,654,313,298
156	ADVANCES FROM AFFILIATED COMPANIES	29,000,000	200,052,000	12,500,000	8,500,000	0	0	0	0	0
157	OTHER LONG-TERM DEBT	3,025,800	5,025,000	9,937,785	9,571,883	4,198,581	9,529,030	6,953,229	5,124,647	5,380,367
	TOTAL LONG-TERM DEBT	$1,474,824,146	$1,896,882,212	$1,690,907,478	$1,680,384,667	$1,656,976,275	$1,622,200,661	$1,615,504,332	$1,617,937,932	$1,659,693,665
CURRENT AND ACCRUED LIABILITIES										
158.1*	NOTES PAYABLE TO AFFILIATED COMPANIES	$3,000,000	$3,700,000	$2,145,000	$3,000,000	$0	$0	$0	$0	$0
158.2	OTHER NOTES PAYABLE	216,740,847	128,065,900	101,465,657	124,352,750	10,579,356	5,607,079	39,572,750	39,072,750	9,617,750
159.1	ACCOUNTS PAYABLE TO AFFILIATED COMPANIES	66,021,325	59,356,083	65,922,219	58,082,328	65,425,743	38,374,034	27,623,264	33,108,227	28,231,160
159.2	OTHER ACCOUNTS PAYABLE	129,652,142	147,340,385	158,524,167	125,491,256	214,977,676	354,115,386	367,428,137	322,737,758	317,795,369
160	CUSTOMERS' DEPOSITS	7,109,446	10,137,922	12,178,648	11,864,053	12,888,161	13,325,610	12,102,871	11,329,572	8,001,608
162	MATURED INTEREST AND DIVIDENDS	2,579,121	2,378,960	44,290	36,828	54,805	49,965	33,177	23,772	38,136
163	MATURED LONG-TERM DEBT	0	0	0	0	0	0	6,665,000	0	0
164	ADVANCE BILLING AND PAYMENTS	31,201,740	35,521,059	44,662,126	49,304,199	46,661,340	38,595,119	41,243,432	46,104,747	46,297,984
165	OTHER CURRENT LIABILITIES	6,847,650	9,432,530	11,259,103	13,507,699	16,292,015	30,904,315	33,942,533	25,556,035	35,469,992
166	TAXES ACCRUED	52,533,125	35,012,443	66,367,383	74,806,851	85,153,717	82,761,717	78,125,866	111,543,425	113,567,707
167	UNMATURED INTEREST, DIV. & RENTS ACCRUED	39,776,696	49,814,250	53,685,420	54,510,946	56,509,182	59,293,206	61,361,789	59,670,808	70,978,297
	TOTAL CURRENT AND ACCRUED LIABILITIES	$555,462,090	$480,759,533	$516,254,012	$514,956,910	$508,541,995	$623,026,431	$668,098,819	$649,147,094	$629,998,003
DEFERRED CREDITS AND OPERATING RESERVES										
168	PREMIUM ON LONG-TERM DEBT	$1,004,637	$961,684	$918,730	$875,776	$832,822	$789,868	$746,914	$703,960	$661,008
169	INSURANCE RESERVES	0	0	0	0	0	0	0	0	0
170	PROVIDENT RESERVES	5,754,640	6,305,497	6,420,421	12,731,851	14,231,516	16,006,496	13,337,695	24,587,673	27,844,681
174	OTHER DEFERRED CREDITS	215,544,901	274,630,656	318,896,407	350,763,293	357,073,516	348,059,443	353,699,507	358,738,683	330,656,936
176.1	ACCUM.DEFERRED INCOME TAXES-ACC. TAX DEP.	346,501,038	423,021,157	527,464,185	646,009,033	740,492,179	742,551,802	834,791,187	905,526,469	919,993,730
176.2	ACCUM.DEFERRED INCOME TAXES - OTHER	8,456,635	9,912,392	7,448,577	10,691,290	8,010,643	5,160,410	5,495,711	37,061,041	39,162,415
	TOTAL DEFERRED CREDITS & OPERATING RESERVES	$577,261,852	$714,831,385	$861,148,320	$1,021,071,243	$1,120,640,676	$1,112,568,019	$1,208,071,013	$1,326,617,826	$1,318,318,771
	TOTAL LIABILITIES AND OTHER CREDITS	$4,355,134,267	$4,966,292,288	$5,465,975,000	$5,674,507,023	$5,773,713,311	$5,531,769,888	$5,696,937,639	$5,792,506,943	$5,915,203,329

APPENDIX

Individual Company Tables on Annual Statistics

Block 1: Balance Sheet--Assets and Other Debits
Block 2: Balance Sheet--Liabilities and Other Credits
Block 3: Income and Retained Earnings
Block 4: Net Operating Income and Plant Statistics

Table Numbers For				Company	
Block 1	Block 2	Block 3	Block 4	Code:	Name
1.1	1.2	1.3	1.4	01	Asotin Telephone
2.1	2.2	2.3	2.4	02	Cascade Autovon
3.1	3.2	3.3	3.4	03	Continental Telephone
4.1	4.2	4.3	4.4	04	Cowiche Telephone
5.1	5.2	5.3	5.4	05	Ellensburg Telephone
6.1	6.2	6.3	6.4	06	G.T.E.
7.1	7.2	7.3	7.4	07	Hat Island Telephone
8.1	8.2	8.3	8.4	08	Hood Canal Telephone
9.1	9.2	9.3	9.4	09	Inland (Include Prescott)
10.1	10.2	10.3	10.4	10	Inter-Island Telephone
11.1	11.2	11.3	11.4	11	Kalama Telephone
12.1	12.2	12.3	12.4	12	Lewis River Telephone
13.1	13.2	13.3	13.4	13	Mashell Telephone
14.1	14.2	14.3	14.4	14	McDaniel Telephone
15.1	15.2	15.3	15.4	15	P.N.B.
16.1	16.2	16.3	16.4	16	Peninsula Telephone
17.1	17.2	17.3	17.4	17	Pioneer Telephone
----	----	----	----	18	Prescott Telephone (Merged with Inland)
19.1	19.2	19.3	19.4	19	St. John Coop Telephone
20.1	20.2	20.3	20.4	20	Telephone Utilities, Inc.
21.1	21.2	21.3	21.4	21	Tenino Telephone
22.1	22.2	22.3	22.4	22	Toledo Telephone
23.1	23.2	23.3	23.4	23	United Telephone
24.1	24.2	24.3	24.4	24	Western Wahkiakum Telephone
25.1	25.2	25.3	25.4	25	Whidbey Telephone
26.1	26.2	26.3	26.4	26	Yelm Telephone
Total Company Basis--Block 4 Only					
----	----	----	27.4	27	Asotin Telephone--Total Company
----	----	----	28.4	28	Continental Telephone--Total Company
----	----	----	29.4	29	G.T.E.--Total Company
----	----	----	30.4	30	Inland (Including Prescott)--Total Company
----	----	----	31.4	31	P.N.B.--Total Company
----	----	----	32.4	32	United Telephone--Total Company

TABLE IV

BLOCK 3: NET INCOME AND RETAINED EARNINGS
SEPT.13TH, 1988 :TOTSUM.WK1:

TOTAL ALL COMPANIES - TOTAL COMPANY OPERATIONS
INCOME AND RETAINED EARNINGS STATEMENT

	1979	1980	1981	1982	1983	1984	1985	1986	1987
NET INCOME									
NET OPERATING INCOME -WASHINGTON	$185,225,208	$231,131,911	$254,045,665	$265,417,812	$278,123,985	$278,547,618	$302,702,125	$279,776,134	$324,079,416
-OTHER STATES	132,800,006	156,734,930	175,394,663	174,735,377	196,675,205	176,422,522	175,823,528	176,121,733	171,152,986
TOTAL NET OPERATING INCOME	$318,025,214	$387,866,841	$429,440,328	$440,153,189	$474,799,190	$454,970,140	$478,525,654	$455,897,867	$495,232,402
INTEREST CHARGED TO CONSTRUCTION	5,992,459	5,444,953	7,523,347	13,343,998	14,354,525	14,792,451	11,927,180	10,883,557	6,766,634
OTHER INCOME	1,867,708	4,077,485	7,832,709	5,690,054	7,565,405	8,397,756	6,104,005	1,318,339	(7,774,623)
MISCELLANEOUS DEDUCTIONS FROM INCOME	1,620,743	3,204,514	5,566,113	4,094,181	8,245,381	7,184,727	5,831,358	3,825,810	3,217,833
INTEREST ON FUNDED DEBT	95,143,609	132,914,377	146,604,540	144,067,438	142,680,285	139,648,593	138,095,141	136,218,938	124,688,637
OTHER FIXED CHARGES	28,773,317	39,828,450	23,799,507	20,165,352	10,213,956	7,660,558	4,719,430	7,962,989	26,652,324
EXTRAORDINARY/DELAYED ITEMS BEFORE TAX EFFECT	12,552,341	963,866	506,563	581,253	(9,602,180)	231,949	404,062	866,295	(33,121)
INCOME TAX EFFECT OF EXTRAORDINARY/DELAYED ITEMS	5,902,214	365,999	184,916	269,133	(1,637,433)	(2,857,611)	599,610	103,413	18,957
NET INCOME	$206,997,839	$222,039,805	$269,147,871	$291,172,390	$327,614,751	$326,756,029	$347,715,361	$320,854,908	[illegible] 613,541
RETAINED EARNINGS (ACCOUNT 181)									
BALANCE AT BEGINNING OF YEAR	$498,907,233	$567,973,015	$640,130,743	$712,394,552	$766,099,812	$676,704,816	$702,982,876	$731,279,574	$738,254,709
CREDITS: NET INCOME(AS ABOVE)	$206,997,839	$222,039,806	$269,147,872	$291,172,391	$327,614,752	$326,790,535	$347,715,361	$320,988,504	$339,613,541
OTHER CREDITS	20,854	101,661	639,143	66,877	356,631	10,237,004	98,937	74,383	1,734,675
TOTAL CREDITS	$207,018,695	$222,141,466	$269,787,015	$291,239,268	$327,971,383	$337,027,539	$347,814,299	$321,062,887	$341,348,216
DEBITS: DIVIDEND APPROPRIATIONS	$137,478,618	$142,637,393	$197,377,160	$236,439,226	$292,765,421	$309,811,480	$319,564,850	$313,238,413	[illegible] 309,894,594
OTHER DEBITS	474,294	7,168,119	146,044	13,415	1,273	937,998	72,785	842,579	49,144
TOTAL DEBITS	$137,952,912	$149,805,512	$197,523,204	$236,452,641	$292,766,694	$310,749,478	$319,637,635	$314,080,992	$309,943,738
BALANCE AT END OF YEAR	$567,973,016	$640,308,969	$712,394,554	$767,181,180	$801,304,501	$702,982,877	$731,159,540	$738,261,469	$769,659,187

TABLE V

BLOCK 4: NET OPER.INCOME AND PLANT STATS.
SEPT.13TH, 1988 :TOTSUM.WK1:

TOTAL ALL COMPANIES - TOTAL STATE OPERATIONS
NET OPERATING INCOME AND PLANT STATISTICS

	1979	1980	1981	1982	1983	1984	1985	1986	1987
OPERATING REVENUES									
LOCAL SERVICE	$410,630,643	$467,034,290	$542,390,306	$620,050,879	$661,556,508	$577,565,789	$596,290,051	$575,317,474	$642,423,784
ACCESS REVENUES	0	0	0	0	0	404,369,856	470,717,186	473,434,266	502,056,165
TOLL SERVICE	522,144,593	595,795,451	693,917,649	766,038,406	802,100,919	297,360,895	294,476,778	315,776,948	276,824,727
MISCELLANEOUS	66,589,642	79,619,605	89,028,279	103,407,817	120,074,427	180,480,190	171,644,694	170,404,752	170,267,454
UNCOLLECTIBLES - DEBIT	6,923,763	9,839,239	12,919,702	16,325,879	17,665,619	7,875,068	9,712,312	11,454,727	8,372,575
TOTAL OPERATING REVENUES	$992,441,114	$1,132,610,106	$1,312,416,532	$1,473,171,223	$1,566,066,235	$1,451,901,662	$1,523,416,397	$1,523,478,713	$1,583,199,556
OPERATING REVENUE EXPENSES									
MAINTENANCE	$209,174,700	$224,383,264	$267,693,062	$315,168,087	$324,412,421	$264,613,508	$254,797,156	$255,362,785	$243,628,179
DEPRECIATION AND AMORTIZATION	146,646,958	168,687,271	187,111,600	218,876,443	267,599,426	249,991,122	264,270,312	307,752,447	339,901,248
TRAFFIC	49,842,313	52,203,530	57,637,476	59,417,637	58,602,383	44,029,767	48,239,121	44,792,461	44,308,826
COMMERCIAL	93,837,164	108,603,676	127,161,056	142,380,482	139,551,169	123,901,275	123,965,872	125,318,322	134,275,602
ACCESS EXPENSES	0	0	0	0	0	0	265,265	2,526,878	2,256,778
GENERAL OFFICE	64,469,009	77,796,907	91,599,564	101,403,623	116,464,645	122,535,686	131,842,412	137,356,636	148,658,709
OTHER OPERATING EXPENSES	89,358,973	103,336,080	118,235,289	136,858,677	132,943,256	131,929,285	146,325,612	135,195,899	96,828,886
TOTAL OPERATING REVENUE EXPENSES	$653,329,117	$735,010,728	$849,438,047	$974,104,949	$1,039,573,300	$937,000,643	$969,705,749	$1,008,305,428	$1,009,858,228
INVESTMENT CREDIT - NET	$31,301,151	$39,974,678	$34,015,105	$23,002,082	$7,352,036	$4,789,184	$14,043,185	$2,354,944	($26,453,878)
FEDERAL INCOME TAXES	(7,411,157)	(10,581,670)	2,499,337	11,158,181	60,606,204	69,776,092	60,550,732	41,318,598	141,924,336
OTHER OPERATING TAXES	89,398,338	91,688,611	112,789,475	123,193,935	119,731,174	103,605,400	105,643,991	113,074,975	125,151,831
OPERATING FED.INCOME TAX DEFER - ACC.DEP	41,449,080	47,574,860	67,751,906	77,815,213	72,315,795	75,542,567	92,150,439	79,600,500	65,507,265
OPER.FED. INCOME TAX DEFER - OTHER	4,225,406	4,863,869	3,460,400	12,157,879	9,154,164	7,217,524	7,777,819	29,778,323	12,537,487
INC. CREDITS FROM PRIOR FED. TAXES	5,076,031	7,052,876	11,583,403	13,678,830	20,790,423	24,577,367	29,157,644	30,730,186	69,405,128
TOTAL OPERATING TAXES	$153,886,787	$166,467,472	$208,932,820	$233,648,460	$248,368,950	$236,353,400	$251,008,523	$235,397,154	$249,261,912
TOTAL OPERATING REV DEDUCTIONS	$807,215,904	$901,478,200	$1,058,370,867	$1,207,753,409	$1,287,942,250	$1,173,354,043	$1,220,714,271	$1,243,702,582	$1,259,120,140
NET OPERATING INCOME	$185,225,209	$231,131,907	$254,045,666	$265,417,814	$278,123,985	$278,547,618	$302,702,127	$279,776,131	$324,079,416
100.1 TELEPHONE PLANT IN SERVICE	$2,735,798,036	$3,148,943,645	$3,488,148,244	$3,764,653,585	$3,963,541,225	$3,794,616,085	$4,070,989,250	$4,345,663,783	$4,526,797,177
100.3 PROPERTY HELD FOR FUTURE USE	3,265,831	522,848	480,377	191,043	130,530	110,385	76,033	258,869	119,260
LESS: 171 & 172 DEP. & AMORT. RESERVES	532,017,031	579,695,722	635,938,930	693,076,497	853,443,562	893,559,307	1,031,122,977	1,160,444,325	1,325,057,969
NET TELEPHONE PLANT END OF YEAR(DEC)	$2,207,046,836	$2,569,770,771	$2,852,689,691	$3,071,768,131	$3,110,228,193	$2,901,167,163	$3,039,942,306	$3,185,478,327	$3,201,858,469
PRIMARY STATISTICS									
MILES OF: WIRE IN CABLE	22,340,528	24,112,113	25,500,404	26,227,410	26,618,449	27,065,815	27,653,257	28,304,540	28,864,079
AERIAL WIRE	53,122	47,045	43,585	40,386	47,627	45,510	53,503	52,276	50,714
UNDERGROUND CONDUIT (SINGLE DUCT)	12,263	13,003	13,295	13,256	13,206	13,517	14,266	14,157	14,431
CARRIER CHANNEL(TELEPHONE)	7,066,028	7,422,396	10,173,017	11,405,974	20,843,521	9,123,941	10,956,567	16,977,291	11,357,024
NUMBER OF POLES	452,579	450,881	442,776	433,364	424,225	414,740	405,918	401,726	460,207
NUMBER OF CENTRAL OFFICES	531	548	560	563	565	382	382	423	381
ACCESS LINES(RESIDENTIAL)	0	0	0	0	0	1,598,589	1,637,181	1,678,745	1,743,806
ACCESS LINES(BUSINESS)	0	0	0	0	0	604,237	638,219	655,212	677,897
ACCESS LINES(PUBLIC)	0	0	0	0	0	28,025	28,969	28,670	27,627
ACCESS LINES(TOTAL)	0	0	0	0	0	2,230,851	2,304,369	2,362,627	2,449,330

TABLE VI

BLOCK 4: NET OPER.INCOME AND PLANT STATS.
TOTAL COMPANY
SEPT.13TH, 1988 [:TOTSUM.WK1]

TOTAL ALL COMPANIES - TOTAL COMPANY OPERATIONS
NET OPERATING INCOME AND PLANT STATISTICS

	1979	1980	1981	1982	1983	1984	1985	1986	1987
OPERATING REVENUES									
LOCAL SERVICE	$673,016,404	$756,291,146	$868,253,006	$995,001,620	$1,084,740,220	$965,207,440	$993,153,714	$1,009,029,059	$1,035,814,331
ACCESS REVENUES	0	0	0	0	0	688,306,211	801,394,654	816,963,848	848,056,900
TOLL SERVICE	917,702,704	1,048,514,991	1,214,704,737	1,306,248,482	1,371,515,922	478,607,906	446,831,875	440,395,207	405,997,622
MISCELLANEOUS	101,842,539	123,217,760	135,591,567	156,712,183	179,982,777	292,379,675	280,488,039	275,740,044	265,579,864
UNCOLLECTIBLES - DEBIT	12,250,449	16,343,344	21,233,301	28,212,919	29,103,041	12,927,637	16,201,682	17,038,996	14,633,630
TOTAL OPERATING REVENUES	$1,680,311,197	$1,911,680,552	$2,197,316,009	$2,429,749,366	$2,607,135,878	$2,411,573,595	$2,505,666,600	$2,525,089,162	$2,540,815,086
OPERATING REVENUE EXPENSES									
MAINTENANCE	$353,248,339	$378,003,364	$446,969,448	$509,213,144	$525,616,830	$437,111,095	$415,147,792	$423,903,655	$404,319,920
DEPRECIATION AND AMORTIZATION	243,976,467	279,324,835	307,591,745	363,532,758	440,136,670	401,338,036	448,266,573	509,084,696	543,431,105
TRAFFIC	90,071,846	93,290,531	99,890,764	102,296,440	101,918,283	74,631,440	80,812,783	74,213,687	72,616,517
COMMERCIAL	157,369,208	183,869,789	213,378,243	238,827,258	234,966,605	210,378,064	199,777,326	205,884,041	215,148,254
ACCESS EXPENSES	0	0	0	0	0	0	444,155	6,816,619	5,710,217
GENERAL OFFICE	109,830,469	132,807,874	154,308,910	168,681,224	188,544,921	196,102,515	208,803,716	223,135,533	238,015,870
OTHER OPERATING EXPENSES	150,899,254	177,821,439	201,062,967	227,003,413	225,930,673	231,886,779	248,482,422	222,970,274	161,404,049
TOTAL OPERATING REVENUE EXPENSES	$1,105,395,583	$1,245,117,832	$1,423,202,077	$1,609,554,237	$1,717,113,982	$1,551,447,929	$1,601,734,768	$1,666,008,505	$1,640,645,932
INVESTMENT CREDIT - NET	$55,537,821	$63,451,835	$51,115,888	$31,213,899	$9,264,027	$6,239,528	$17,846,791	($1,003,437)	($43,549,917)
FEDERAL INCOME TAXES	(3,002,571)	(5,896,375)	18,792,772	35,934,804	124,226,540	132,845,946	126,229,183	105,378,163	218,271,831
OTHER OPERATING TAXES	140,797,878	148,617,622	179,217,225	197,434,681	187,171,197	181,184,843	190,048,730	197,412,754	215,672,087
OPERATING FED.INCOME TAX DEFER - ACC.DEP	65,646,061	77,151,721	106,686,920	122,246,145	114,979,552	114,787,888	128,670,467	116,284,047	101,479,045
OPER.FED. INCOME TAX DEFER - OTHER	7,207,578	8,251,560	7,713,856	15,134,227	12,887,342	9,312,151	10,875,438	41,894,777	17,786,222
INC. CREDITS FROM PRIOR FED. TAXES	9,296,369	12,880,480	18,853,057	21,921,818	33,305,952	39,214,831	48,264,429	56,783,515	104,722,516
TOTAL OPERATING TAXES	$256,890,398	$278,695,883	$344,673,604	$380,041,938	$415,222,706	$405,155,525	$425,406,179	$403,182,789	$404,936,752
TOTAL OPERATING REV DEDUCTIONS	$1,362,285,981	$1,523,813,715	$1,767,875,681	$1,989,596,175	$2,132,336,688	$1,956,603,454	$2,027,140,947	$2,069,191,294	$2,045,582,684
NET OPERATING INCOME	$318,025,215	$387,866,838	$429,440,329	$440,153,191	$474,799,190	$454,970,140	$478,525,655	$455,897,868	$495,232,401
100.1 TELEPHONE PLANT IN SERVICE	$4,550,555,150	$5,207,306,029	$5,735,080,209	$6,164,463,706	$6,438,402,697	$6,142,514,271	$6,539,489,810	$6,934,162,397	$7,225,259,355
100.3 PROPERTY HELD FOR FUTURE USE	4,402,885	1,256,580	1,230,517	303,376	300,555	231,363	141,805	245,064	979,433
LESS: 171 & 172 DEP. & AMORT. RESERVES	842,841,070	911,674,800	1,001,955,759	1,144,584,919	1,401,472,299	1,470,341,692	1,710,617,096	1,937,682,957	2,173,478,094
NET TELEPHONE PLANT END OF YEAR(DEC)	$3,712,116,965	$4,296,887,809	$4,734,354,967	$5,020,182,163	$5,037,230,953	$4,672,403,942	$4,829,014,518	$4,996,724,504	$5,052,760,694
PRIMARY STATISTICS									
MILES OF: WIRE IN CABLE	35,634,589	38,314,748	40,278,289	41,256,886	41,732,618	42,377,503	43,155,008	44,050,105	44,747,978
AERIAL WIRE	103,725	89,478	81,776	78,118	89,895	85,999	93,586	89,259	86,840
UNDERGROUND CONDUIT (SINGLE DUCT)	19,620	20,577	20,987	20,690	20,656	20,960	21,790	21,789	22,162
CARRIER CHANNEL(TELEPHONE)	14,480,155	16,613,211	20,301,254	24,376,341	37,809,695	15,817,422	21,169,971	31,490,365	18,239,019
NUMBER OF POLES	718,722	706,909	687,770	672,459	659,868	645,648	634,430	624,057	685,003
NUMBER OF CENTRAL OFFICES	862	881	898	906	909	622	623	658	615
ACCESS LINES(RESIDENTIAL)	0	0	0	0	0	2,553,230	2,603,793	2,654,241	2,749,559
ACCESS LINES(BUSINESS)	0	0	0	0	0	947,941	996,678	1,010,774	1,037,432
ACCESS LINES(PUBLIC)	0	0	0	0	0	45,798	46,981	46,681	45,376
ACCESS LINES(TOTAL)	0	0	0	0	0	3,546,969	3,647,452	3,711,696	3,832,367

TABLE 1.1

BLOCK1:BALANCE SHEET -- ASSETS
TOTAL COMPANY
AUGUST 1, 1988

01 ASOTIN TELEPHONE - TOTAL COMPANY OPERATIONS
BALANCE SHEET - ASSETS AND OTHER DEBITS

		1979	1980	1981	1982	1983	1984	1985	1986	1987
TELEPHONE PLANT										
100.1	TELEPHONE PLANT IN SERVICE	$1,131,500	$1,128,495	$2,770,089	$2,825,368	$2,837,231	$2,840,718	$2,907,847	$2,950,738	$3,795,983
100.2	TELEPHONE PLANT UNDER CONSTRUCTION	68,095	1,151,085	35,528	25,432	27,463	78,668	88,153	668,165	580,670
100.3	PROPERTY HELD FOR FUTURE TELEPHONE USE	$0	$0	$0	$0	$0	$0		0	0
100.4	TELEPHONE PLANT ACQUISITION ADJUSTMENT	0	0	0	0	0	0		0	0
171	LESS: DEPRECIATION RESERVE	351,936	375,289	335,297	511,281	661,016	824,514	1,020,156	1,241,217	1,341,206
172	AMORTIZATION RESERVE	0	0	0	0	0	0		0	0
	TOTAL NET TELEPHONE PLANT	$847,659	$1,904,291	$2,470,320	$2,339,519	$2,203,678	$2,094,872	$1,975,845	$2,377,686	$3,035,447
INVESTMENTS AND FUNDS										
101.1	INVESTMENTS IN AFFILIATED COMPANIES	$0	$0	$0	$0	$0	$0	$0	$0	$0
101.2	ADVANCES TO AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
102	OTHER INVESTMENTS	1,000	1,000	2,650	3,650	3,650	3,650	3,650	3,650	3,650
103	MISCELLANEOUS PHYSICAL PROPERTY	0	0	0	0	1,774	4,476	9,689	1,564	0
104	SINKING FUNDS(EXCLUDING OWN ISSUES)	0	0	0	0	0	0	0	0	0
106	NONREGULATED INVESTMENT	0	0	0	0	0	0	0	5,606	4,484
136	PROVIDENT FUNDS(EXCLUDING OWN ISSUES)	0	0	0	0	0	0	0	0	0
	TOTAL INVESTMENTS AND FUNDS	$1,000	$1,000	$2,650	$3,650	$5,424	$8,126	$13,339	$10,820	$8,134
CURRENT ASSETS										
113	CASH	$14,613	$31,719	$1,280	$15,357	$24,982	$39,416	$8,282	$20,953	$815
114	SPECIAL CASH DEPOSITS	0	0	0	0	0	0		0	0
115	WORKING FUNDS	300	300	300	400	400	400	400	400	400
116	TEMPORARY CASH INVESTMENTS	0	0	0	199,000	438,000	643,000	1,011,000	1,048,980	790,000
117.1	NOTES RECEIVABLE FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
117.2	OTHER NOTES RECEIVABLE	0	0	0	0	0	0	0	0	0
118	DUE FROM CUSTOMERS AND AGENTS	35,766	32,852	40,543	46,853	47,073	19,254	19,411	18,890	16,519
120.1	ACCTS RECEIVABLE FROM AFFILIATED COMPANIES	133	0	564	13,396	7,534	5,077	77	12,989	154
120.2	OTHER ACCOUNTS RECEIVABLE	10,208	64,962	80,246	59,499	28,813	73,025	56,060	61,469	131,966
121	INTEREST AND DIVIDENDS RECEIVABLE	0	0	0	2,700	4,466	14,921	16,089	17,989	10,578
122	MATERIAL AND SUPPLIES	7,335	9,256	17,865	27,663	29,825	22,262	24,701	18,187	10,218
123	OTHER CURRENT ASSETS	0	0	0	0	8,577	7,162	6,688	5,226	5,213
	TOTAL CURRENT ASSETS	$68,355	$139,089	$240,798	$364,868	$589,670	$824,517	$1,142,708	$1,205,083	$965,863
PREPAID ACCOUNTS AND DEFERRED CHARGES										
129	PREPAID RENTS	$1,700	$1,714	$1,714	($1,374)	$0	($781)	($768)	($746)	$21
130	PREPAID TAXES	440	686	614	1,158	1,247	1,135	1,238	1,571	5,512
131	PREPAID INSURANCE	0	0	0	0	0	0	0	0	0
132	PREPAID DIRECTORY EXPENSESS	0	0	0	0	0	0	0	0	0
133	OTHER PREPAYMENTS	577	457	471	6,075	3,021	3,303	3,447	5,528	5,502
135	DISCOUNT ON LONG-TERM DEBT	12,077	11,714	11,350	10,987	10,624	10,260	9,897	9,533	9,170
138	EXTRAORDINARY MAINTENANCE & RETIREMENTS	0	0	0	0	0	0	0	8,126	0
139	OTHER DEFERRED CHARGES	53,823	19,909	22,121	24,581	26,217	37,109	26,951	13,946	6,229
	TOTAL PREPAID ACCOUNTS & DEFERRED CHARGES	$68,617	$34,480	$36,270	$41,427	$41,109	$51,026	$40,765	$37,958	$26,434
	TOTAL ASSETS AND OTHER DEBITS	$985,631	$2,078,860	$2,750,038	$2,749,464	$2,839,881	$2,978,541	$3,172,656	$3,631,547	$4,035,878

TABLE 1.2

BLOCK2: BALANCE SHEET -- LIABILITIES
TOTAL COMPANY
AUGUST 1, 1988

01 ASOTIN TELEPHONE - TOTAL COMPANY OPERATIONS
BALANCE SHEET-- LIABILITIES AND OTHER CREDITS

		1979	1980	1981	1982	1983	1984	1985	1986	1987
STOCKHOLDERS EQUITY										
150	CAPITAL STOCK (ACTUALLY OUTSTANDING)	$88,250	$88,250	$88,750	$88,750	$88,750	$88,750	$88,750	$88,750	$88,750
152	PREMIUM ON CAPITAL STOCK	212	212	364,712	364,712	364,712	364,712	364,712	364,712	364,712
179	OTHER CAPITAL	0	0	0	0	0	0	0	0	0
180	RETAINED EARNINGS RESERVED	0	0	0	0	0	0	0	0	0
181	UNAPPROPRIATED RETAINED EARNINGS	209,481	313,659	472,719	522,875	583,153	693,761	777,572	972,909	1,237,662
134.1	LESS DISCOUNT ON CAPITAL STOCK	0	0	0	0	0	0	0	0	0
134.2	LESS CAPITAL STOCK EXPENSE	0	0	0	0	0	0	0	0	0
	TOTAL NET STOCKHOLDERS' EQUITY	$297,943	$402,121	$926,181	$976,337	$1,036,615	$1,147,223	$1,231,034	$1,426,371	$1,691,124
LONG-TERM DEBT										
154.1	FUNDED DEBT	$605,812	$1,338,519	$1,597,818	$1,569,556	$1,538,112	$1,498,051	$1,457,172	$1,415,479	$1,372,947
156	ADVANCES FROM AFFILIATED COMPANIES	0	52,000	0	0	0	0	0	0	0
157	OTHER LONG-TERM DEBT	0	0	0	0	0	0	0	0	0
	TOTAL LONG-TERM DEBT	$605,812	$1,390,519	$1,597,818	$1,569,556	$1,538,112	$1,498,051	$1,457,172	$1,415,479	$1,372,947
CURRENT AND ACCRUED LIABILITIES										
158.1	NOTES PAYABLE TO AFFILIATED COMPANIES	$0	$0	$0	$0	$0	$0	$0	$0	$0
158.2	OTHER NOTES PAYABLE	0	0	0	0	0	0	0	0	0
159.1	ACCOUNTS PAYABLE TO AFFILIATED COMPANIES	11,844	10,846	14,524	11,512	18,164	18,981	16,852	56,273	20,489
159.2	OTHER ACCOUNTS PAYABLE	28,282	212,314	86,018	33,277	42,540	24,235	114,114	253,159	469,780
160	CUSTOMERS' DEPOSITS	1,030	885	990	1,655	1,835	2,020	1,997	1,792	1,807
162	MATURED INTEREST AND DIVIDENDS	0	0	0	0	0	0	0	0	0
163	MATURED LONG-TERM DEBT	0	0	0	0	0	0	0	0	0
164	ADVANCE BILLING AND PAYMENTS	1,562	1,999	1,858	2,044	1,930	2,909	2,401	4,417	3,941
165	OTHER CURRENT LIABILITIES	2,065	2,537	3,373	3,196	4,940	5,515	3,695	2,091	7,630
166	TAXES ACCRUED	834	1,202	(2,141)	(1,106)	(1,019)	676	(42)	65,003	137,102
167	UNMATURED INTEREST, DIV. & RENTS ACCRUED	0	0	0	0	0	0		0	0
	TOTAL CURRENT AND ACCRUED LIABILITIES	$45,617	$229,783	$104,622	$50,578	$68,390	$54,336	$139,016	$382,735	$640,749
DEFERRED CREDITS AND OPERATING RESERVES										
168	PREMIUM ON LONG-TERM DEBT	$0	$0	$0	$0	$0	$0	$0	$0	$0
169	INSURANCE RESERVES	0	0	0	0	0	0	0	0	0
170	PROVIDENT RESERVES	0	0	0	0	0	0	0	0	0
174	OTHER DEFERRED CREDITS	29,749	49,891	85,800	78,728	78,383	112,751	136,135	178,257	142,244
176.1	ACCUM.DEFERRED INCOME TAXES-ACC. TAX DEP.	6,511	6,544	35,097	73,745	117,928	165,779	208,912	228,334	190,789
176.2	ACCUM.DEFERRED INCOME TAXES - OTHER	0	0	523	520	453	401	386	372	(1,975)
	TOTAL DEFERRED CREDITS & OPERATING RESERVES	$36,260	$56,435	$121,420	$152,993	$196,764	$278,931	$345,434	$406,963	$331,058
	TOTAL LIABILITIES AND OTHER CREDITS	$985,632	$2,078,858	$2,750,041	$2,749,464	$2,839,881	$2,978,541	$3,172,656	$3,631,548	$4,035,878

TABLE 1.3

BLOCK3: NET INCOME AND RETAINED EARNINGS
TOTAL COMPANY
AUGUST 1, 1988

01 ASOTIN TELEPHONE - TOTAL COMPANY OPERATIONS
INCOME AND RETAINED EARNINGS STATEMENT

	1979	1980	1981	1982	1983	1984	1985	1986	1987
NET INCOME									
NET OPERATING INCOME -WASHINGTON	$49,339	$92,762	$130,216	$57,433	$60,335	$86,866	$48,831	$149,181	$175,956
-OTHER STATES	8,731	12,886	22,184	25,983	19,088	29,416	38,996	24,726	61,614
TOTAL NET OPERATING INCOME	$58,070	$105,648	$152,400	$83,416	$79,423	$116,282	$87,827	$173,907	$237,570
INTEREST CHARGED TO CONSTRUCTION	0	18,454	41,139	0	0	0	0	4,920	38,240
OTHER INCOME	2,402	70	70	4,157	27,029	55,243	80,398	83,450	53,198
MISCELLANEOUS DEDUCTIONS FROM INCOME	319	120	238	2,452	12,736	25,362	33,881	35,780	33,984
INTEREST ON FUNDED DEBT	11,194	16,001	31,055	31,771	31,168	30,455	29,636	28,822	27,984
OTHER FIXED CHARGES	1,501	2,064	1,446	1,385	460	3,291	610	528	478
EXTRAORDINARY/DELAYED ITEMS BEFORE TAX EFFECT	0	0	0	0	0	0	0	0	0
INCOME TAX EFFECT OF EXTRAORDINARY/DELAYED ITEMS	0	0	0	0	0	0	0	0	0
NET INCOME	$47,458	$105,987	$160,870	$51,965	$62,088	$112,417	$104,098	$197,147	$266,562
RETAINED EARNINGS (ACCOUNT 181)									
BALANCE AT BEGINNING OF YEAR	$163,832	$209,481	$313,659	$472,719	$522,875	$583,153	$693,761	$777,572	$972,909
CREDITS: NET INCOME(AS ABOVE)	$47,458	$105,987	$160,870	$51,965	$62,088	$112,417	$104,098	$197,147	$266,562
OTHER CREDITS	0	0	0	0	0	0	0	0	0
TOTAL CREDITS	$47,458	$105,987	$160,870	$51,965	$62,088	$112,417	$104,098	$197,147	$266,562
DEBITS: DIVIDEND APPROPRIATIONS	$1,809	$1,809	$1,810	$1,809	$1,810	$1,809	$20,287	$1,810	$1,809
OTHER DEBITS	0	0	0	0	0	0	0	0	0
TOTAL DEBITS	$1,809	$1,809	$1,810	$1,809	$1,810	$1,809	$20,287	$1,810	$1,809
BALANCE AT END OF YEAR	$209,481	$313,659	$472,719	$522,875	$583,153	$693,761	$777,572	$972,909	$1,237,662

TABLE 1.4

BLOCK4: NET OPER.INCOME AND PLANT STATS.
STATE
AUGUST 1, 1988

01 ASOTIN TELEPHONE - WASHINGTON STATE OPERATIONS ONLY
NET OPERATING INCOME AND PLANT STATISTICS

	1979	1980	1981	1982	1983	1984	1985	1986	1987
OPERATING REVENUES									
LOCAL SERVICE	$120,574	$130,102	$142,542	$149,166	$121,653	$139,368	$168,638	$232,432	$219,670
ACCESS REVENUES	0	0	0	0	0	249,534	442,567	457,312	427,224
TOLL SERVICE	125,074	217,800	370,195	396,901	404,600	223,008	(18,188)	16,989	6,982
MISCELLANEOUS	13,145	13,310	13,489	12,380	9,917	27,289	61,275	69,400	68,669
UNCOLLECTIBLES - DEBIT	1,094	5,909	4,585	5,648	5,394	296	940	5,902	(762)
TOTAL OPERATING REVENUES	$257,699	$355,303	$521,641	$552,799	$530,776	$638,903	$653,352	$770,231	$723,307
OPERATING REVENUE EXPENSES									
MAINTENANCE	$47,531	$58,909	$100,783	$76,250	$77,900	$72,047	$92,588	$98,437	$73,677
DEPRECIATION AND AMORTIZATION	37,931	40,878	69,069	175,389	175,444	175,898	189,671	187,223	187,735
TRAFFIC	2,184	3,320	4,981	7,495	3,527	5,950	5,732	4,768	4,808
COMMERCIAL	25,395	28,585	25,973	30,850	33,811	42,130	37,823	41,556	35,852
ACCESS EXPENSES	0	0	0	0	0	0	0	0	0
GENERAL OFFICE	27,484	28,852	41,020	52,583	60,245	90,021	107,599	93,051	109,380
OTHER OPERATING EXPENSES	46,590	51,408	64,357	96,813	54,788	65,443	93,204	80,333	50,453
TOTAL OPERATING REVENUE EXPENSES	$187,115	$211,952	$306,183	$439,380	$405,715	$451,489	$526,618	$505,368	$461,905
INVESTMENT CREDIT - NET	$3,697	$18,128	$33,894	($6,432)	($367)	$31,301	$21,243	$37,701	($32,128)
FEDERAL INCOME TAXES	0	15,196	4,897	(1,979)	(8,854)	(15,180)	(20,274)	38,909	117,004
OTHER OPERATING TAXES	14,188	17,235	19,988	30,731	35,423	42,391	33,787	25,503	27,094
OPERATING FED.INCOME TAX DEFER - ACC.DEP	3,359	30	26,464	33,666	38,474	42,036	43,147	13,569	(25,737)
OPER.FED. INCOME TAX DEFER - OTHER	0	0	0	0	0	0	0	0	(787)
INC. CREDITS FROM PRIOR FED. TAXES	0	0	0	0	0	0	0	0	0
TOTAL OPERATING TAXES	$21,244	$50,589	$85,243	$55,986	$64,726	$100,548	$77,903	$115,682	$85,446
TOTAL OPERATING REV DEDUCTIONS	$208,359	$262,541	$391,426	$495,366	$470,441	$552,037	$604,521	$621,050	$547,351
NET OPERATING INCOME	$49,340	$92,762	$130,215	$57,433	$60,335	$86,866	$48,831	$149,181	$175,956
100.1 TELEPHONE PLANT IN SERVICE	$980,090	$998,975	$2,542,572	$2,593,408	$2,603,973	$2,599,568	$2,657,550	$2,698,814	$1,828,396
100.3 PROPERTY HELD FOR FUTURE USE	0	0	0	0	0	0	0	0	0
LESS: 171 & 172 DEP. & AMORT. RESERVES	302,854	345,087	286,964	438,541	574,722	723,305	900,685	1,087,683	1,205,187
NET TELEPHONE PLANT END OF YEAR(DEC)	$677,236	$653,888	$2,255,608	$2,154,867	$2,029,251	$1,876,263	$1,756,865	$1,611,131	$623,209
PRIMARY STATISTICS									
MILES OF: WIRE IN CABLE	2,214	2,214	2,214	2,214	11,477	11,477	11,477	11,477	11,477
AERIAL WIRE	142	145	145	145	2	2	2	2	2
UNDERGROUND CONDUIT (SINGLE DUCT)	0	0	0	0	0	0	0	0	0
CARRIER CHANNEL(TELEPHONE)	0	0	0	0	0	0	0	0	0
NUMBER OF POLES	0	843	843	843	408	408	408	408	408
NUMBER OF CENTRAL OFFICES	2	2	2	2	2	2	2	2	2
ACCESS LINES(RESIDENTIAL)	0	0	0	0	0	693	694	673	696
ACCESS LINES(BUSINESS)	0	0	0	0	0	114	103	102	96
ACCESS LINES(PUBLIC)	0	0	0	0	0	4	4	4	4
ACCESS LINES(TOTAL)	0	0	0	0	0	811	801	779	796

TABLE 2.1

BLOCK1:
AUGUST 2, 1988

02 CASCADE AUTOVON - TOTAL COMPANY OPERATIONS
BALANCE SHEET - ASSETS AND OTHER DEBITS

		1979	1980	1981	1982	1983	1984	1985	1986	1987
TELEPHONE PLANT										
100.1	TELEPHONE PLANT IN SERVICE	$3,962,320	$3,966,804	$3,997,526	$4,024,167	$6,011,193	$6,147,591	$6,270,860	$6,399,887	$6,410,121
100.2	TELEPHONE PLANT UNDER CONSTRUCTION	2,323	0	0	3,930,470	44,247	67,553	43,781	43,668	63,085
100.3	PROPERTY HELD FOR FUTURE TELEPHONE USE	0	0	0	0	0	0	0	0	0
100.4	TELEPHONE PLANT ACQUISITION ADJUSTMENT	0	0	0	0	0	0	0	0	0
171	LESS: DEPRECIATION RESERVE	3,219,382	3,416,481	3,614,331	3,815,567	1,393,659	2,462,912	3,519,856	4,042,892	4,470,903
172	AMORTIZATION RESERVE	0	0	0	0	0	0	0	0	0
	TOTAL NET TELEPHONE PLANT	$745,261	$550,323	$383,195	$4,139,070	$4,661,781	$3,752,232	$2,794,785	$2,400,663	$2,002,303
INVESTMENTS AND FUNDS										
101.1	INVESTMENTS IN AFFILIATED COMPANIES	$2,388,080	$2,761,319	$3,082,448	$3,530,486	$4,034,356	$4,612,960	$0	$0	$0
101.2	ADVANCES TO AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
102	OTHER INVESTMENTS	0	0	0	0	0	0	0	0	0
103	MISCELLANEOUS PHYSICAL PROPERTY	0	0	0	0	0	0	0	0	0
104	SINKING FUNDS(EXCLUDING OWN ISSUES)	0	0	0	0	0	0	0	0	0
106	NONREGULATED INVESTMENT	0	0	0	0	0	0	0	0	0
136	PROVIDENT FUNDS(EXCLUDING OWN ISSUES)	0	0	0	0	0	0	0	0	0
	TOTAL INVESTMENTS AND FUNDS	$2,388,080	$2,761,319	$3,082,448	$3,530,486	$4,034,356	$4,612,960	$0	$0	$0
CURRENT ASSETS										
113	CASH	$100	$100	$100	$100	$200	$200	$200	$300	$300
114	SPECIAL CASH DEPOSITS	0	0	0	0	0	0	0	0	0
115	WORKING FUNDS	0	0	0	0	0	0	0	0	0
116	TEMPORARY CASH INVESTMENTS	0	0	0	0	0	0	0	0	0
117.1	NOTES RECEIVABLE FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
117.2	OTHER NOTES RECEIVABLE	0	0	0	0	0	0	0	0	0
118	DUE FROM CUSTOMERS AND AGENTS	0	0	0	0	0	0	0	0	0
120.1	ACCTS RECEIVABLE FROM AFFILIATED COMPANIES	123,785	0	0	0	0	0	77,442	164,736	624,866
120.2	OTHER ACCOUNTS RECEIVABLE	103,728	158,410	160,941	201,722	443,172	977,939	696,920	264,028	446,338
121	INTEREST AND DIVIDENDS RECEIVABLE	0	0	0	0	0	0	0	0	0
122	MATERIAL AND SUPPLIES	0	0	0	0	21	21	21	0	0
123	OTHER CURRENT ASSETS	0	0	0	0	0	0	0	0	0
	TOTAL CURRENT ASSETS	$227,613	$158,510	$161,041	$201,822	$443,393	$978,160	$774,583	$429,064	$1,071,504
PREPAID ACCOUNTS AND DEFERRED CHARGES										
129	PREPAID RENTS	$0	$0	$0	$0	$0	$0	$0	$0	$0
130	PREPAID TAXES	0	0	0	0	0	0	0	0	0
131	PREPAID INSURANCE	0	0	0	0	0	373	110	689	0
132	PREPAID DIRECTORY EXPENSESS	0	0	0	0	0	0	0	0	0
133	OTHER PREPAYMENTS	1,886	0	0	0	0	0	0	0	0
135	DISCOUNT ON LONG-TERM DEBT	10,223	1,666	0	0	0	0	0	0	0
138	EXTRAORDINARY MAINTENANCE & RETIREMENTS	0	0	0	0	0	0	0	0	0
139	OTHER DEFERRED CHARGES	0	0	0	348	5,000	0	0	0	0
	TOTAL PREPAID ACCOUNTS & DEFERRED CHARGES	$12,109	$1,666	$0	$348	$5,000	$373	$110	$689	$0
	TOTAL ASSETS AND OTHER DEBITS	$3,373,063	$3,471,818	$3,626,684	$7,871,726	$9,144,530	$9,343,725	$3,569,478	$2,830,416	$3,073,807

TABLE 2.2

BLOCK2:
AUGUST 2, 1988

02 CASCADE AUTOVON - TOTAL COMPANY OPERATIONS
BALANCE SHEET - LIABILITIES AND OTHER CREDITS

		1979	1980	1981	1982	1983	1984	1985	1986	1987
STOCKHOLDERS EQUITY										
150	CAPITAL STOCK (ACTUALLY OUTSTANDING)	$225,000	$225,000	$225,000	$225,000	$225,000	$225,000	$225,000	$225,000	$225,000
152	PREMIUM ON CAPITAL STOCK	2,303	2,303	2,303	2,303	2,303	2,303	2,303	2,303	2,303
179	OTHER CAPITAL	295,039	295,039	295,039	295,039	295,039	295,039	295,039	295,039	295,039
180	RETAINED EARNINGS RESERVED	0	0	0	0	0	0	0	0	0
181	UNAPPROPRIATED RETAINED EARNINGS	1,788,738	2,115,642	2,087,541	2,844,621	4,053,926	5,413,331	1,293,890	1,363,418	1,468,902
134.1	LESS: DISCOUNT ON CAPITAL STOCK	0	0	0	0	0	0	0	0	0
134.2	CAPITAL STOCK EXPENSE	0	0	0	0	0	0	0	0	0
	TOTAL NET STOCKHOLDERS' EQUITY	$2,311,080	$2,637,984	$2,609,883	$3,366,963	$4,576,268	$5,935,673	$1,816,232	$1,885,760	$1,991,244
LONG-TERM DEBT										
154.1	FUNDED DEBT	$750,000	$375,000	$0	$0	$0	$0	$0	$0	$0
156	ADVANCES FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
157	OTHER LONG-TERM DEBT	0	0	0	0	0	0	0	0	0
	TOTAL LONG-TERM DEBT	$750,000	$375,000	$0	$0	$0	$0	$0	$0	$0
CURRENT AND ACCRUED LIABILITIES										
158.1	NOTES PAYABLE TO AFFILIATED COMPANIES	$0	$0	$0	$0	$0	$0	$0	$0	$0
158.2	OTHER NOTES PAYABLE	0	0	0	0	0	0	0	0	0
159.1	ACCOUNTS PAYABLE TO AFFILIATED COMPANIES	0	249,583	908,874	3,105,590	4,084,948	2,737,076	1,123,159	0	0
159.2	OTHER ACCOUNTS PAYABLE	194,514	185,603	108,989	1,359,237	33,369	69,465	61,390	169,722	52,788
160	CUSTOMERS' DEPOSITS	0	0	0	0	0	0	0	0	0
162	MATURED INTEREST AND DIVIDENDS	0	0	0	0	0	0	0	0	0
163	MATURED LONG-TERM DEBT	0	0	0	0	0	0	0	0	0
164	ADVANCE BILLING AND PAYMENTS	0	0	0	0	0	0	0	0	0
165	OTHER CURRENT LIABILITIES	7,599	7,870	0	0	0	0	78,695	0	1,169
166	TAXES ACCRUED	21,562	6,901	(6,604)	34,294	55,303	92,869	(35,640)	(22,708)	(21,036)
167	UNMATURED INTEREST, DIV. & RENTS ACCRUED	5,470	2,735	0	0	0	0	0	0	0
	TOTAL CURRENT AND ACCRUED LIABILITIES	$229,145	$452,692	$1,011,259	$4,499,121	$4,173,620	$2,899,410	$1,227,604	$147,014	$32,921
DEFERRED CREDITS AND OPERATING RESERVES										
168	PREMIUM ON LONG-TERM DEBT	$0	$0	$0	$0	$0	$0	$0	$0	$0
169	INSURANCE RESERVES	0	0	0	0	0	0	0	0	0
170	PROVIDENT RESERVES	0	0	0	0	0	0	0	0	0
174	OTHER DEFERRED CREDITS	7,838	6,142	5,542	4,342	383,342	454,342	416,342	366,342	308,342
176.1	ACCUM.DEFERRED INCOME TAXES-ACC. TAX DEP.	75,000	0	0	1,300	11,300	54,300	109,300	431,300	741,300
176.2	ACCUM.DEFERRED INCOME TAXES - OTHER	0	0	0	0	0	0	0	0	0
	TOTAL DEFERRED CREDITS & OPERATING RESERVES	$82,838	$6,142	$5,542	$5,642	$394,642	$508,642	$525,642	$797,642	$1,049,642
	TOTAL LIABILITIES AND OTHER CREDITS	$3,373,063	$3,471,818	$3,626,684	$7,871,726	$9,144,530	$9,343,725	$3,569,478	$2,830,416	$3,073,807

TABLE 2.3

BLOCK3:
AUGUST 2, 1988

02 CASCADE AUTOVON - TOTAL COMPANY OPERATIONS
INCOME AND RETAINED EARNINGS STATEMENT

	1979	1980	1981	1982	1983	1984	1985	1986	1987
NET INCOME									
NET OPERATING INCOME -WASHINGTON	$146,531	$111,260	$63,457	$94,853	$630,549	$853,159	$600,515	$247,854	$360,660
-OTHER STATES	0	0	0	0	0	0	0	0	0
TOTAL NET OPERATING INCOME	$146,531	$111,260	$63,457	$94,853	$630,549	$853,159	$600,515	$247,854	$360,660
INTEREST CHARGED TO CONSTRUCTION	0	0	0	113,781	161,782	0	0	0	0
OTHER INCOME	531,659	687,615	693,945	638,103	686,624	865,339	804,440	(3,330)	(1,823)
MISCELLANEOUS DEDUCTIONS FROM INCOME	0	1,500	0	0	666	0	0	0	0
INTEREST ON FUNDED DEBT	87,502	54,687	21,874	0	0	0	0	0	0
OTHER FIXED CHARGES	10,223	10,784	26,641	89,657	268,984	257,843	100,326	24,246	228
EXTRAORDINARY/DELAYED ITEMS BEFORE TAX EFFECT	0	0	0	0	0	0	0	0	0
INCOME TAX EFFECT OF EXTRAORDINARY/DELAYED ITEMS	0	0	0	0	0	0	0	0	0
NET INCOME	$580,465	$731,904	$708,887	$757,080	$1,209,305	$1,460,655	$1,304,629	$220,278	$358,609
RETAINED EARNINGS (ACCOUNT 181)									
BALANCE AT BEGINNING OF YEAR	$1,469,273	$1,788,738	$2,115,642	$2,087,541	$2,844,621	$4,053,926	$5,413,331	$1,293,890	$1,363,418
CREDITS: NET INCOME(AS ABOVE)	$580,465	$731,904	$708,887	$757,080	$1,209,305	$1,460,655	$1,304,629	$220,278	$358,609
OTHER CREDITS	0	0	0	0	0	0	0	0	0
TOTAL CREDITS	$580,465	$731,904	$708,887	$757,080	$1,209,305	$1,460,655	$1,304,629	$220,278	$358,609
DEBITS: DIVIDEND APPROPRIATIONS	$261,000	$405,000	$736,988	$0	$0	$101,250	$5,424,070	$150,750	$253,125
OTHER DEBITS	0	0	0	0	0	0	0	0	0
TOTAL DEBITS	$261,000	$405,000	$736,988	$0	$0	$101,250	$5,424,070	$150,750	$253,125
BALANCE AT END OF YEAR	$1,788,738	$2,115,642	$2,087,541	$2,844,621	$4,053,926	$5,413,331	$1,293,890	$1,363,418	$1,468,902

TABLE 2.4

BLOCK4: 02 CASCADE AUTOVON - TOTAL COMPANY OPERATIONS
AUGUST 2, 1988 NET OPERATING INCOME AND PLANT STATISTICS

	1979	1980	1981	1982	1983	1984	1985	1986	1987
OPERATING REVENUES									
LOCAL SERVICE	$841,255	$894,853	$898,684	$0	$0	$0	$0	$0	$0
ACCESS REVENUES	0	0	0	0	0	0	0	0	0
TOLL SERVICE	0	0	0	950,792	2,833,534	3,569,008	0	0	0
MISCELLANEOUS	21,417	0	0	0	0	0	3,215,440	2,147,393	2,169,858
UNCOLLECTIBLES - DEBIT	0	0	0	0	0	0	0	0	0
TOTAL OPERATING REVENUES	$862,672	$894,853	$898,684	$950,792	$2,833,534	$3,569,008	$3,215,440	$2,147,393	$2,169,858
OPERATING REVENUE EXPENSES									
MAINTENANCE	$254,567	$317,379	$336,871	$345,579	$593,209	$773,840	$780,416	$753,150	$803,554
DEPRECIATION AND AMORTIZATION	209,562	204,665	206,167	200,306	914,230	1,040,741	1,053,963	515,186	403,229
TRAFFIC	0	0	0	0	0	0	0	0	0
COMMERCIAL	4,714	0	0	0	0	1,744	72	0	0
ACCESS EXPENSES	0	0	0	0	0	0	0	0	0
GENERAL OFFICE	69,573	97,689	124,190	179,390	228,516	243,445	149,695	177,689	198,893
OTHER OPERATING EXPENSES	69,814	65,156	85,118	45,584	88,767	126,067	139,984	154,844	111,817
TOTAL OPERATING REVENUE EXPENSES	$608,230	$684,889	$752,346	$770,859	$1,824,722	$2,185,837	$2,124,130	$1,600,869	$1,517,493
INVESTMENT CREDIT - NET	($5,000)	($1,700)	($600)	($1,200)	$379,000	$71,000	($38,000)	($50,000)	($58,000)
FEDERAL INCOME TAXES	(12,850)	139,300	41,500	26,000	(87,000)	343,000	380,000	(66,000)	(51,000)
OTHER OPERATING TAXES	50,761	36,104	41,981	58,980	76,263	73,012	93,795	92,670	90,705
OPERATING FED.INCOME TAX DEFER - ACC.DEP	75,000	(75,000)	0	1,300	10,000	43,000	55,000	322,000	314,000
OPER.FED. INCOME TAX DEFER - OTHER	0	0	0	0	0	0	0	0	0
INC. CREDITS FROM PRIOR FED. TAXES	0	0	0	0	0	0	0	0	4,000
TOTAL OPERATING TAXES	$107,911	$98,704	$82,881	$85,080	$378,263	$530,012	$490,795	$298,670	$291,705
TOTAL OPERATING REV DEDUCTIONS	$716,141	$783,593	$835,227	$855,939	$2,202,985	$2,715,849	$2,614,925	$1,899,539	$1,809,198
NET OPERATING INCOME	$146,531	$111,260	$63,457	$94,853	$630,549	$853,159	$600,515	$247,854	$360,660
100.1 TELEPHONE PLANT IN SERVICE	$3,962,320	$3,966,804	$3,997,526	$4,024,167	$6,011,193	$6,147,591	$6,270,360	$6,399,887	$6,410,121
100.3 PROPERTY HELD FOR FUTURE USE	0	0	0	0	0	0	0	0	0
LESS: 171 & 172 DEP. & AMORT. RESERVES	3,219,382	3,416,481	3,614,331	3,815,567	1,393,659	2,462,912	3,519,856	4,042,892	4,470,903
NET TELEPHONE PLANT END OF YEAR(DEC)	$742,938	$550,323	$383,195	$208,600	$4,617,534	$3,684,679	$2,751,004	$2,356,995	$1,939,218
PRIMARY STATISTICS									
MILES OF: WIRE IN CABLE	0	0	0	0	0	0	0	0	0
AERIAL WIRE	0	0	0	0	0	0	0	0	0
UNDERGROUND CONDUIT (SINGLE DUCT)	0	0	0	0	0	0	0	0	0
CARRIER CHANNEL(TELEPHONE)	0	0	0	0	0	0	0	0	0
NUMBER OF POLES	0	0	0	0	0	0	0	0	0
NUMBER OF CENTRAL OFFICES	0	0	0	0	0	0	0	0	0
ACCESS LINES(RESIDENTIAL)	0	0	0	0	0	0	0	0	0
ACCESS LINES(BUSINESS)	0	0	0	0	0	0	0	0	0
ACCESS LINES(PUBLIC)	0	0	0	0	0	0	0	0	0
ACCESS LINES(TOTAL)	0	0	0	0	0	0	0	0	0

TABLE 3.1

BLOCK1: BALANCE SHEET -- ASSETS
AUGUST 2, 1988

03 CONTINENTAL TELEPHONE - TOTAL COMPANY OPERATIONS
BALANCE SHEET - ASSETS AND OTHER DEBITS

		1979	1980	1981	1982	1983	1984	1985	1986	1987
TELEPHONE PLANT										
100.1	TELEPHONE PLANT IN SERVICE	$86,541,013	$96,072,204	$108,581,626	$118,593,859	$127,998,429	$138,224,074	$146,552,447	$153,405,969	$157,999,587
100.2	TELEPHONE PLANT UNDER CONSTRUCTION	4,972,352	5,412,848	3,904,727	3,315,638	3,628,980	1,906,277	1,052,999	1,250,753	2,361,451
100.3	PROPERTY HELD FOR FUTURE TELEPHONE USE	0	32,893	33,919	39,801	1,026	1,026	0	0	0
100.4	TELEPHONE PLANT ACQUISITION ADJUSTMENT	19,362	16,734	14,106	11,478	8,850	6,324	4,104	1,884	0
171	LESS: DEPRECIATION RESERVE	16,319,046	17,242,161	22,431,872	25,455,311	31,177,395	37,340,321	44,815,720	55,077,058	64,106,288
172	AMORTIZATION RESERVE	0	0	0	0	0	0	0	0	0
	TOTAL NET TELEPHONE PLANT	$75,213,681	$84,292,518	$90,102,506	$96,505,465	$100,459,890	$102,797,380	$102,793,830	$99,581,548	$96,254,750
INVESTMENTS AND FUNDS										
101.1	INVESTMENTS IN AFFILIATED COMPANIES	$0	$0	$0	$0	$0	$0	$0	$0	$0
101.2	ADVANCES TO AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
102	OTHER INVESTMENTS	3,000	3,000	3,000	3,000	3,000	3,000	2,914	2,829	2,743
103	MISCELLANEOUS PHYSICAL PROPERTY	10,799	107,659	20,329	20,329	20,329	9,780	9,780	51,034	646,985
104	SINKING FUNDS(EXCLUDING OWN ISSUES)	0	0	0	0	0	0	0	0	0
106	NONREGULATED INVESTMENT	0	0	0	0	0	0	0	0	0
136	PROVIDENT FUNDS(EXCLUDING OWN ISSUES)	0	0	0	0	0	0	0	0	0
	TOTAL INVESTMENTS AND FUNDS	$13,799	$110,659	$23,329	$23,329	$23,329	$12,780	$12,694	$53,863	$649,728
CURRENT ASSETS										
113	CASH	$1,180,835	$1,194,713	$398,606	$725,175	$1,377,799	$2,676,175	$7,472,731	$6,050,296	$4,318,205
114	SPECIAL CASH DEPOSITS	0	0	0	0	0	0	0	0	0
115	WORKING FUNDS	28,020	22,250	47,300	47,350	47,175	47,245	47,195	0	0
116	TEMPORARY CASH INVESTMENTS	0	0	0	0	0	0	0	0	0
117.1	NOTES RECEIVABLE FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
117.2	OTHER NOTES RECEIVABLE	0	0	0	0	0	194,314	49,330	0	0
118	DUE FROM CUSTOMERS AND AGENTS	2,892,700	3,286,945	4,763,160	4,913,267	5,596,456	7,093,190	5,019,798	5,737,957	4,662,123
120.1	ACCTS RECEIVABLE FROM AFFILIATED COMPANIES	235,527	109,210	187,477	249,986	554,754	817,209	1,356,717	921,971	1,873,457
120.2	OTHER ACCOUNTS RECEIVABLE	2,117,063	1,751,666	3,094,035	3,353,267	1,629,155	1,877,793	740,523	2,134,402	3,204,961
121	INTEREST AND DIVIDENDS RECEIVABLE	0	0	0	0	0	0	0	0	0
122	MATERIAL AND SUPPLIES	655,850	584,125	646,640	631,605	700,026	1,392,278	1,183,366	722,402	700,987
123	OTHER CURRENT ASSETS	0	101,098	429,226	687,757	976,847	871,454	195,573	58,319	41,460
	TOTAL CURRENT ASSETS	$7,109,995	$7,050,007	$9,566,444	$10,608,407	$,882,212	$14,969,658	$16,065,233	$15,625,347	$14,801,193
PREPAID ACCOUNTS AND DEFERRED CHARGES										
129	PREPAID RENTS	$0	$0	$0	$0	$0	$0	$0	$0	$0
130	PREPAID TAXES	0	0	0	0	0	0	0	0	0
131	PREPAID INSURANCE	0	0	0	0	0	0	0	15,032	11,992
132	PREPAID DIRECTORY EXPENSESS	0	0	0	0	0	0	0	0	0
133	OTHER PREPAYMENTS	0	0	0	0	0	130	5	0	0
135	DISCOUNT ON LONG-TERM DEBT	150,100	145,802	165,039	179,472	168,146	176,794	150,388	679,547	613,083
138	EXTRAORDINARY MAINTENANCE & RETIREMENTS	7,200	6,000	4,800	3,600	2,400	1,200	0	0	0
139	OTHER DEFERRED CHARGES	49,405	37,213	52,750	22,828	226,244	98,462	25,726	129,133	14,546
	TOTAL PREPAID ACCOUNTS & DEFERRED CHARGES	$206,705	$189,015	$222,589	$205,900	$396,790	$276,586	$176,119	$823,712	$639,621
	TOTAL ASSETS AND OTHER DEBITS	$82,544,180	$91,642,199	$99,914,868	$107,343,101	$111,762,221	$118,056,404	$119,047,876	$116,084,470	$112,345,292

TABLE 3.2

BLOCK 2: BALANCE SHEET -- LIABILITIES
AUGUST 2, 1988

03 CONTINENTAL TELEPHONE - TOTAL COMPANY OPERATIONS
BALANCE SHEET - LIABILITIES AND OTHER CREDITS

		1979	1980	1981	1982	1983	1984	1985	1986	1987
STOCKHOLDERS EQUITY										
150	CAPITAL STOCK (ACTUALLY OUTSTANDING)	$4,855,646	$4,742,746	$4,577,846	$4,412,946	$4,248,046	$4,077,000	$3,952,100	$536,000	$536,000
152	PREMIUM ON CAPITAL STOCK	4,179,237	7,143,237	7,143,237	7,143,237	7,143,237	7,143,237	7,143,237	7,143,237	7,143,237
179	OTHER CAPITAL	8,479,912	8,621,247	11,447,578	12,447,578	12,447,578	12,448,456	12,448,456	12,448,456	12,481,877
180	RETAINED EARNINGS RESERVED	0	0	0	0	0	0	0	0	0
181	UNAPPROPRIATED RETAINED EARNINGS	15,143,445	17,287,898	18,994,492	20,858,715	22,437,387	24,929,435	26,367,520	30,169,660	27,921,291
134.1	LESS: DISCOUNT ON CAPITAL STOCK	0	0	0	0	0	0	0	0	0
134.2	CAPITAL STOCK EXPENSE	0	0	0	0	0	0	0	0	0
	TOTAL NET STOCKHOLDERS' EQUITY	$32,658,240	$37,795,128	$42,163,153	$44,862,476	$46,276,248	$48,598,128	$49,911,313	$50,297,353	$48,082,405
LONG-TERM DEBT										
154.1	FUNDED DEBT	$31,364,907	$36,055,997	$34,821,500	$34,543,000	$37,764,500	$36,486,000	$38,624,534	$30,566,859	$27,970,500
156	ADVANCES FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
157	OTHER LONG-TERM DEBT	3,000,000	0	4,918,646	4,554,222	4,182,577	3,803,572	0	0	0
	TOTAL LONG-TERM DEBT	$34,364,907	$36,055,997	$39,740,146	$39,097,222	$41,947,077	$40,289,572	$38,624,534	$30,566,859	$27,970,500
CURRENT AND ACCRUED LIABILITIES										
158.1	NOTES PAYABLE TO AFFILIATED COMPANIES	$3,000,000	$3,700,000	$2,100,000	$3,000,000	$0	$0	$0	$0	$0
158.2	OTHER NOTES PAYABLE	1,000,000	0	0	0	0	0	0	0	0
159.1	ACCOUNTS PAYABLE TO AFFILIATED COMPANIES	197,625	501,571	540,146	677,096	344,339	776,662	786,441	765,974	500,782
159.2	OTHER ACCOUNTS PAYABLE	1,819,429	3,176,296	1,830,903	2,163,788	2,577,425	3,980,984	3,605,792	7,426,795	6,731,086
160	CUSTOMERS' DEPOSITS	121,694	132,803	129,492	176,287	191,990	259,533	285,332	282,145	275,818
162	MATURED INTEREST AND DIVIDENDS	0	0	0	0	0	0	0	0	0
163	MATURED LONG-TERM DEBT	0	0	0	0	0	0	0	0	0
164	ADVANCE BILLING AND PAYMENTS	376,556	405,873	775,701	813,014	1,307,000	423,524	462,214	492,363	697,051
165	OTHER CURRENT LIABILITIES	125,879	218,425	2,007,041	2,863,134	2,683,057	5,317,490	4,372,121	3,934,197	2,751,905
166	TAXES ACCRUED	1,862,957	1,411,760	779,256	1,435,255	1,637,043	1,468,677	1,625,858	2,577,030	4,375,194
167	UNMATURED INTEREST, DIV. & RENTS ACCRUED	676,194	606,620	1,203,113	1,153,276	1,646,815	1,081,527	1,060,206	632,455	505,094
	TOTAL CURRENT AND ACCRUED LIABILITIES	$9,180,334	$10,153,348	$9,365,652	$12,281,850	$10,387,669	$13,308,397	$12,197,964	$16,110,959	$15,836,930
DEFERRED CREDITS AND OPERATING RESERVES										
168	PREMIUM ON LONG-TERM DEBT	$0	$0	$0	$0	$0	$0	$0	$0	$0
169	INSURANCE RESERVES	0	0	0	0	0	0	0	0	0
170	PROVIDENT RESERVES	0	0	0	0	0	0	0	0	0
174	OTHER DEFERRED CREDITS	4,509,367	5,532,520	6,092,915	7,046,369	7,686,365	8,543,677	8,740,410	8,011,560	8,732,088
176.1	ACCUM.DEFERRED INCOME TAXES-ACC. TAX DEP.	1,718,913	1,933,030	2,542,529	4,094,307	5,508,115	7,449,178	9,714,037	11,137,854	11,992,084
176.2	ACCUM.DEFERRED INCOME TAXES - OTHER	112,419	172,176	10,473	(39,123)	(43,253)	(132,548)	(140,382)	(40,115)	(268,715)
	TOTAL DEFERRED CREDITS & OPERATING RESERVES	$6,340,699	$7,637,726	$8,645,917	$11,101,553	$13,151,227	$15,860,307	$18,314,065	$19,109,299	$20,455,457
	TOTAL LIABILITIES AND OTHER CREDITS	$82,544,180	$91,642,199	$99,914,868	$107,343,101	$111,762,221	$118,056,404	$119,047,876	$116,084,470	$112,345,292

TABLE 3.3

BLOCK3 -- INCOME AND RETAINED EARNINGS
AUGUST 2, 1988

03 CONTINENTAL TELEPHONE - TOTAL COMPANY OPERATIONS
INCOME AND RETAINED EARNINGS STATEMENT

	1979	1980	1981	1982	1983	1984	1985	1986	1987
NET INCOME									
NET OPERATING INCOME -WASHINGTON	$5,434,398	$5,675,145	$5,828,243	$6,953,538	$7,178,697	$8,060,352	$7,554,356	$8,908,152	$8,452,201
-OTHER STATES	1,353,147	2,326,850	2,249,396	1,728,911	2,269,910	2,599,712	2,758,796	2,717,297	3,352,044
TOTAL NET OPERATING INCOME	$6,787,545	$8,001,995	$8,077,639	$8,682,449	$9,448,607	$10,660,064	$10,313,152	$11,625,449	$11,804,245
INTEREST CHARGED TO CONSTRUCTION	0	782	32	(989)	2,140	1,284	1,957	630,354	0
OTHER INCOME	30,080	47,172	353,489	131,782	(602,092)	(260,359)	(306,812)	(89,114)	(72,991)
MISCELLANEOUS DEDUCTIONS FROM INCOME	9,911	33,610	110,476	51,610	(244,217)	(129,999)	(136,687)	284,375	18,143
INTEREST ON FUNDED DEBT	2,380,582	3,044,083	3,749,043	3,496,799	3,560,681	4,029,950	3,713,307	3,297,064	2,304,761
OTHER FIXED CHARGES	532,400	573,728	124,254	213,303	91,996	(83,480)	86,979	127,589	156,727
EXTRAORDINARY/DELAYED ITEMS BEFORE TAX EFFECT	0	0	0	0	0	0	0	0	0
INCOME TAX EFFECT OF EXTRAORDINARY/DELAYED ITEMS	0	0	0	0	0	0	0	0	0
NET INCOME	$3,894,732	$4,398,528	$4,447,387	$5,051,530	$5,440,195	$6,584,518	$6,344,698	$8,457,661	$9,251,623
RETAINED EARNINGS (ACCOUNT 181)									
BALANCE AT BEGINNING OF YEAR	$13,514,845	$15,143,445	$17,287,898	$18,994,492	$20,858,715	$22,437,387	$24,929,436	$26,367,520	$30,169,660
CREDITS: NET INCOME(AS ABOVE)	$3,894,732	$4,398,528	$4,447,387	$5,051,530	$5,440,195	$6,584,518	$6,344,698	$8,457,661	$9,251,623
OTHER CREDITS	0	0	0	0	0	34,506	0	0	8
TOTAL CREDITS	$3,894,732	$4,398,528	$4,447,387	$5,051,530	$5,440,195	$6,619,024	$6,344,698	$8,457,661	$9,251,631
DEBITS: DIVIDEND APPROPRIATIONS	$2,266,132	$2,254,075	$2,740,793	$3,187,307	$3,861,523	$3,718,875	$4,884,114	$4,569,080	$11,500,000
OTHER DEBITS	0	0	0	0	0	408,101	22,500	86,441	0
TOTAL DEBITS	$2,266,132	$2,254,075	$2,740,793	$3,187,307	$3,861,523	$4,126,976	$4,906,614	$4,655,521	$11,500,000
BALANCE AT END OF YEAR	$15,143,445	$17,287,898	$18,994,492	$20,858,715	$22,437,387	$24,929,435	$26,367,520	$30,169,660	$27,921,291

TABLE 3.4

BLOCK4 : NET INCOME & PLANT STATS. (TOTAL STATE) — 03 CONTINENTAL TELEPHONE - WASHINGTON STATE OPERATIONS ONLY
AUGUST 2, 1988 — NET OPERATING INCOME AND PLANT STATISTICS

	1979	1980	1981	1982	1983	1984	1985	1986	1987
OPERATING REVENUES									
LOCAL SERVICE	$6,923,243	$7,313,509	$9,763,320	$11,021,999	$11,607,335	$12,711,307	$13,149,355	$14,025,273	$15,335,703
ACCESS REVENUES	0	0	0	0	0	27,992,627	28,624,565	29,934,296	28,089,811
TOLL SERVICE	14,511,809	15,608,181	18,367,930	22,336,755	24,941,778	354,135	(326,970)	181,807	323,469
MISCELLANEOUS	555,357	629,169	711,805	766,658	954,226	2,022,449	2,517,709	2,962,112	3,393,947
UNCOLLECTIBLES - DEBIT	134,000	183,000	250,000	291,200	254,200	330,624	152,014	197,288	197,480
TOTAL OPERATING REVENUES	$21,856,409	$23,367,859	$28,593,055	$33,834,212	$37,249,139	$42,749,894	$43,812,645	$46,906,200	$46,945,450
OPERATING REVENUE EXPENSES									
MAINTENANCE	$4,758,047	$4,817,205	$6,422,176	$7,232,453	$7,111,831	$7,011,491	$6,834,755	$6,684,761	$6,381,430
DEPRECIATION AND AMORTIZATION	3,941,442	4,559,406	5,508,637	5,290,936	6,994,203	8,902,609	9,877,746	9,758,365	10,428,458
TRAFFIC	508,577	619,782	911,083	1,083,323	1,167,556	953,605	1,154,992	1,076,664	1,030,634
COMMERCIAL	1,348,700	1,617,078	2,018,940	2,375,625	2,662,255	2,885,539	2,975,216	3,112,359	3,538,849
ACCESS EXPENSES	0	0	0	0	0	0	0	0	0
GENERAL OFFICE	1,882,816	2,095,009	2,602,437	3,196,532	3,325,081	3,917,367	4,578,714	5,644,927	6,220,392
OTHER OPERATING EXPENSES	1,267,951	1,414,687	2,005,890	2,912,634	2,938,017	3,738,086	4,154,538	4,008,166	3,467,783
TOTAL OPERATING REVENUE EXPENSES	$13,707,533	$15,123,167	$19,469,163	$22,091,503	$24,198,943	$27,408,697	$29,575,961	$30,285,242	$31,067,546
INVESTMENT CREDIT - NET	$568,003	$637,401	$385,258	$839,904	$760,367	$815,260	$378,822	($725,160)	($398,793)
FEDERAL INCOME TAXES	651,947	333,778	924,515	713,250	2,138,762	3,054,734	2,746,524	5,092,056	5,031,813
OTHER OPERATING TAXES	1,494,528	1,598,368	1,810,430	1,992,415	1,871,937	1,913,773	1,776,863	1,823,398	2,219,453
OPERATING FED.INCOME TAX DEFER - ACC.DEP	0	0	164,973	1,232,856	1,078,805	1,591,572	1,809,259	1,454,174	732,989
OPER.FED. INCOME TAX DEFER - OTHER	0	0	10,473	10,746	21,628	(94,494)	(29,140)	68,338	(159,759)
INC. CREDITS FROM PRIOR FED. TAXES	0	0	0	0	0	0	0	0	0
TOTAL OPERATING TAXES	$2,714,478	$2,569,547	$3,295,649	$4,789,171	$5,871,499	$7,280,845	$6,682,328	$7,712,806	$7,425,703
TOTAL OPERATING REV DEDUCTIONS	$16,422,011	$17,692,714	$22,764,812	$26,880,674	$30,070,442	$34,689,542	$36,258,289	$37,998,048	$38,493,249
NET OPERATING INCOME	$5,434,398	$5,675,145	$5,828,243	$6,953,538	$7,178,697	$8,060,352	$7,554,356	$8,908,152	$8,452,201
100.1 TELEPHONE PLANT IN SERVICE	$65,213,101	$71,827,557	$79,544,098	$86,902,567	$94,997,142	$103,144,500	$110,495,636	$115,393,104	$118,344,480
100.3 PROPERTY HELD FOR FUTURE USE	0	0	0	5,882	0	0	0	0	0
LESS: 171 & 172 DEP. & AMORT. RESERVES	11,502,717	12,868,139	16,541,237	17,922,032	22,144,279	26,441,680	33,691,022	41,429,522	47,600,813
NET TELEPHONE PLANT END OF YEAR(DEC)	$53,710,384	$58,959,418	$63,002,861	$68,986,417	$72,852,863	$76,702,820	$76,804,614	$73,963,582	$70,743,667
PRIMARY STATISTICS									
MILES OF: WIRE IN CABLE	288,162	341,922	378,156	418,939	464,460	509,292	588,761	605,566	620,613
AERIAL WIRE	1,915	1,578	1,564	1,222	895	780	1,210	1,186	1,183
UNDERGROUND CONDUIT (SINGLE DUCT)	160	169	169	173	173	173	184	184	185
CARRIER CHANNEL(TELEPHONE)	0	0	0	0	0	0	0	0	0
NUMBER OF POLES	25,193	24,853	24,820	24,020	23,406	23,134	22,671	22,521	22,088
NUMBER OF CENTRAL OFFICES	30	30	30	30	30	30	32	32	32
ACCESS LINES(RESIDENTIAL)	0	0	0	0	0	37,716	38,340	39,157	41,038
ACCESS LINES(BUSINESS)	0	0	0	0	0	7,617	7,792	7,677	8,191
ACCESS LINES(PUBLIC)	0	0	0	0	0	467	483	506	517
ACCESS LINES(TOTAL)	0	0	0	0	0	45,800	46,615	47,340	49,746

TABLE 4.1

BLOCK1: BALANCE SHEET -- ASSETS
AUGUST 2, 1988

04 COWICHE TELEPHONE - TOTAL COMPANY OPERATIONS
BALANCE SHEET - ASSETS AND OTHER DEBITS

		1979	1980	1981	1982	1983	1984	1985	1986	1987
TELEPHONE PLANT										
100.1	TELEPHONE PLANT IN SERVICE	$1,480,660	$1,531,641	$1,595,670	$1,676,435	$2,823,738	$2,899,144	$2,927,819	$2,978,095	$3,039,056
100.2	TELEPHONE PLANT UNDER CONSTRUCTION	0	0	26,710	138,611	847	1,776	3,398	49	0
100.3	PROPERTY HELD FOR FUTURE TELEPHONE USE	0	0	0	0	0	0	0	0	0
100.4	TELEPHONE PLANT ACQUISITION ADJUSTMENT	0	0	0	0	0	0	0	0	0
171	LESS: DEPRECIATION RESERVE	698,101	763,102	830,173	887,299	494,256	673,972	846,886	1,010,948	1,187,174
172	AMORTIZATION RESERVE	0	0	0	0	0	0	0	0	0
	TOTAL NET TELEPHONE PLANT	$782,559	$768,539	$792,207	$927,747	$2,330,329	$2,226,948	$2,084,331	$1,967,196	$1,851,882
INVESTMENTS AND FUNDS										
101.1	INVESTMENTS IN AFFILIATED COMPANIES	$0	$0	$0	$0	$0	$0	$0	$0	$0
101.2	ADVANCES TO AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
102	OTHER INVESTMENTS	32,146	36,619	48,489	88,138	54,146	46,969	47,005	64,535	70,088
103	MISCELLANEOUS PHYSICAL PROPERTY	0	0	0	0	0	0	0	0	0
104	SINKING FUNDS(EXCLUDING OWN ISSUES)	0	0	0	0	0	0	0	0	0
106	NONREGULATED INVESTMENT	0	0	0	0	0	0	0	0	0
136	PROVIDENT FUNDS(EXCLUDING OWN ISSUES)	0	0	0	0	0	0	0	0	0
	TOTAL INVESTMENTS AND FUNDS	$32,146	$36,619	$48,489	$88,138	$54,146	$46,969	$47,005	$64,535	$70,088
CURRENT ASSETS										
113	CASH	$84,745	$125,751	$130,951	$123,800	$59,540	$355,134	$87,607	$47,574	$149,825
114	SPECIAL CASH DEPOSITS	0	0	0	0	0	0	0	0	0
115	WORKING FUNDS	0	0	0	0	0	0	750	750	750
116	TEMPORARY CASH INVESTMENTS	0	0	0	0	0	0	582,181	823,983	1,163,974
117.1	NOTES RECEIVABLE FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
117.2	OTHER NOTES RECEIVABLE	0	0	0	0	0	0	0	0	0
118	DUE FROM CUSTOMERS AND AGENTS	47,701	47,694	47,223	58,494	72,414	74,980	78,763	82,879	69,630
120.1	ACCTS RECEIVABLE FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
120.2	OTHER ACCOUNTS RECEIVABLE	0	0	0	0	82,300	14,220	16,808	16,522	(4,339)
121	INTEREST AND DIVIDENDS RECEIVABLE	0	0	0	0	0	0	0	0	0
122	MATERIAL AND SUPPLIES	17,300	16,675	19,677	19,578	30,969	26,978	22,129	17,429	17,141
123	OTHER CURRENT ASSETS	0	0	0	0	0	0	0	0	0
	TOTAL CURRENT ASSETS	$149,746	$190,120	$197,851	$201,872	$245,223	$471,312	$788,238	$989,137	$1,396,981
PREPAID ACCOUNTS AND DEFERRED CHARGES										
129	PREPAID RENTS	$0	$0	$0	$0	$0	$0	$0	$0	$0
130	PREPAID TAXES	0	17,464	0	0	54,700	10,717	3,500	0	0
131	PREPAID INSURANCE	1,082	0	0	507	0	0	0	0	0
132	PREPAID DIRECTORY EXPENSESS	0	0	0	0	0	0	0	0	0
133	OTHER PREPAYMENTS	0	0	0	0	0	0	0	0	0
135	DISCOUNT ON LONG-TERM DEBT	2,814	2,533	2,253	0	0	0	0	0	0
138	EXTRAORDINARY MAINTENANCE & RETIREMENTS	0	0	0	0	0	0	0	0	0
139	OTHER DEFERRED CHARGES	775	775	775	775	0	0	0	0	0
	TOTAL PREPAID ACCOUNTS & DEFERRED CHARGES	$4,671	$20,772	$3,028	$1,282	$54,700	$10,717	$3,500	$0	$0
	TOTAL ASSETS AND OTHER DEBITS	$969,122	$1,016,050	$1,041,575	$1,219,039	$2,684,398	$2,755,946	$2,923,074	$3,020,868	$3,318,951

08-Sep-88

TABLE 4.2

BLOCK 2: BALANCE SHEET -- LIABILITIES
AUGUST 2, 1988

04 COMICHE TELEPHONE - TOTAL COMPANY OPERATIONS
BALANCE SHEET - LIABILITIES AND OTHER CREDITS

		1979	1980	1981	1982	1983	1984	1985	1986	1987
STOCKHOLDERS EQUITY										
150	CAPITAL STOCK (ACTUALLY OUTSTANDING)	$121,000	$121,000	$120,000	$120,000	$120,000	$120,000	$120,000	$120,000	$120,000
152	PREMIUM ON CAPITAL STOCK	0	0	0	0	0	0	0	0	0
179	OTHER CAPITAL	0	0	0	0	0	0	0	0	0
180	RETAINED EARNINGS RESERVED	0	0	0	0	0	0	0	0	0
181	UNAPPROPRIATED RETAINED EARNINGS	586,484	630,478	657,009	709,793	860,955	878,314	984,964	947,894	1,128,544
134.1	LESS: DISCOUNT ON CAPITAL STOCK	0	0	0	0	0	0	0	0	0
134.2	CAPITAL STOCK EXPENSE	0	0	0	0	0	0	0	0	0
	TOTAL NET STOCKHOLDERS' EQUITY	$707,484	$751,478	$777,009	$829,793	$980,955	$998,314	$1,104,964	$1,067,894	$1,248,544
LONG-TERM DEBT										
154.1	FUNDED DEBT	$216,000	$210,000	$204,000	$251,764	$1,445,073	$1,625,169	$1,600,202	$1,607,053	$1,590,928
156	ADVANCES FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
157	OTHER LONG-TERM DEBT	0	0	0	0	0	0	0	0	0
	TOTAL LONG-TERM DEBT	$216,000	$210,000	$204,000	$251,764	$1,445,073	$1,625,169	$1,600,202	$1,607,053	$1,590,928
CURRENT AND ACCRUED LIABILITIES										
158.1	NOTES PAYABLE TO AFFILIATED COMPANIES	$0	$0	$0	$0	$0	$0	$0	$0	$0
158.2	OTHER NOTES PAYABLE	0	0	0	0	0	0	0	0	0
159.1	ACCOUNTS PAYABLE TO AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
159.2	OTHER ACCOUNTS PAYABLE	10,652	26,180	18,857	46,743	185,733	9,762	13,305	12,771	70,545
160	CUSTOMERS' DEPOSITS	240	625	990	1,035	755	1,035	1,490	2,055	1,360
162	MATURED INTEREST AND DIVIDENDS	0	0	0	0	0	0	0	0	0
163	MATURED LONG-TERM DEBT	0	0	0	0	0	0	0	0	0
164	ADVANCE BILLING AND PAYMENTS	0	0	0	0	0	0	0	0	0
165	OTHER CURRENT LIABILITIES	0	0	0	24,918	5,267	2,484	2,179	2,451	2,323
166	TAXES ACCRUED	11,336	2,350	7,631	11,312	10,358	6,013	5,421	6,702	2,511
167	UNMATURED INTEREST, DIV. & RENTS ACCRUED	910	974	871	2,308	13,440	13,423	13,499	13,332	13,101
	TOTAL CURRENT AND ACCRUED LIABILITIES	$23,138	$30,129	$28,349	$86,316	$215,553	$32,717	$35,894	$37,311	$89,840
DEFERRED CREDITS AND OPERATING RESERVES										
168	PREMIUM ON LONG-TERM DEBT	$0	$0	$0	$0	$0	$0	$0	$0	$0
169	INSURANCE RESERVES	0	0	0	0	0	0	0	0	0
170	PROVIDENT RESERVES	0	0	0	0	0	0	0	0	0
174	OTHER DEFERRED CREDITS	22,500	24,443	29,708	38,451	30,102	31,715	32,447	69,469	88,295
176.1	ACCUM.DEFERRED INCOME TAXES-ACC. TAX DEP.	0	0	2,509	12,715	12,715	68,031	149,567	239,141	335,204
176.2	ACCUM.DEFERRED INCOME TAXES - OTHER	0	0	0	0	0	0	0	0	(33,860)
	TOTAL DEFERRED CREDITS & OPERATING RESERVES	$22,500	$24,443	$32,217	$51,166	$42,817	$99,746	$182,014	$308,610	$389,639
	TOTAL LIABILITIES AND OTHER CREDITS	$969,122	$1,016,050	$1,041,575	$1,219,039	$2,684,398	$2,755,946	$2,923,074	$3,020,868	$3,318,951

TABLE 4.3

BLOCK 3:
AUGUST 2, 1988

04 COWICHE TELEPHONE -- TOTAL COMPANY OPERATIONS
INCOME AND RETAINED EARNINGS STATEMENT

NET INCOME	1979	1980	1981	1982	1983	1984	1985	1986	1987
NET OPERATING INCOME -WASHINGTON	$107,624	$69,920	$52,806	$86,874	$253,098	$152,357	$224,284	$285,548	$286,921
-OTHER STATES	0	0	0	0	0	0	0	0	0
TOTAL NET OPERATING INCOME	$107,624	$69,920	$52,806	$86,874	$253,098	$152,357	$224,284	$285,548	$286,921
INTEREST CHARGED TO CONSTRUCTION	0	0	0	0	0	0	0	0	0
OTHER INCOME	4,106	9,985	14,027	12,824	14,892	20,982	36,364	53,970	60,544
MISCELLANEOUS DEDUCTIONS FROM INCOME	931	1,019	1,157	6,312	3,480	1,331	1,456	968	2,046
INTEREST ON FUNDED DEBT	11,195	11,011	10,534	12,085	85,112	125,448	124,531	124,016	123,566
OTHER FIXED CHARGES	281	281	280	281	0	965	98	59	3
EXTRAORDINARY/DELAYED ITEMS BEFORE TAX EFFECT	0	0	0	0	0	0	323	(850)	0
INCOME TAX EFFECT OF EXTRAORDINARY/DELAYED ITEMS	0	0	0	0	0	0	0	0	0
NET INCOME	$99,323	$67,594	$54,862	$81,020	$179,398	$45,595	$134,886	$213,625	$221,850
RETAINED EARNINGS (ACCOUNT 181)									
BALANCE AT BEGINNING OF YEAR	$512,616	$586,484	$630,478	$657,009	$709,793	$860,955	$878,314	$984,964	$947,894
CREDITS: NET INCOME(AS ABOVE)	$99,323	$67,594	$54,862	$81,020	$179,398	$45,595	$134,886	$213,625	$221,850
OTHER CREDITS	0	0	0	0	0	0	0	0	0
TOTAL CREDITS	$99,323	$67,594	$54,862	$81,020	$179,398	$45,595	$134,886	$213,625	$221,850
DEBITS: DIVIDEND APPROPRIATIONS	$25,455	$23,600	$28,306	$28,236	$28,236	$28,236	$28,236	$47,060	$41,200
OTHER DEBITS	0	0	25	0	0	0	0	203,635	0
TOTAL DEBITS	$25,455	$23,600	$28,331	$28,236	$28,236	$28,236	$28,236	$250,695	$41,200
BALANCE AT END OF YEAR	$586,484	$630,478	$657,009	$709,793	$860,955	$878,314	$984,964	$947,894	$1,128,544

TABLE 4.4

BLOCK 4:
AUGUST 2, 1988

04 COWICHE TELEPHONE - TOTAL COMPANY OPERATIONS
NET OPERATING INCOME AND PLANT STATISTICS

	1979	1980	1981	1982	1983	1984	1985	1986	1987
OPERATING REVENUES									
LOCAL SERVICE	$144,891	$155,025	$159,510	$174,331	$180,495	$187,035	$230,165	$245,682	$274,370
ACCESS REVENUES	0	0	0	0	0	598,725	653,702	748,150	509,817
TOLL SERVICE	293,374	319,469	355,371	424,879	556,826	19,282	24,294	(7,402)	128,467
MISCELLANEOUS	13,793	10,854	8,452	9,957	8,276	29,093	37,546	24,003	95,176
UNCOLLECTIBLES - DEBIT	5,539	4,102	2,701	3,022	368	2,443	(1,796)	2,693	5,466
TOTAL OPERATING REVENUES	$446,519	$481,246	$520,632	$606,145	$745,229	$831,692	$947,503	$1,007,740	$1,002,364
OPERATING REVENUE EXPENSES									
MAINTENANCE	$73,223	$85,994	$77,941	$88,724	$116,895	$140,348	$136,146	$117,745	$129,732
DEPRECIATION AND AMORTIZATION	69,495	69,618	73,530	74,761	111,173	172,765	171,608	161,412	159,009
TRAFFIC	3,648	3,755	3,361	9,412	4,148	5,345	4,952	20	1,102
COMMERCIAL	14,232	21,622	18,245	27,105	16,195	15,541	13,119	18,696	14,269
ACCESS EXPENSES	0	0	0	0	0	0	0	0	0
GENERAL OFFICE	71,627	107,519	157,479	156,083	165,119	161,800	182,203	167,385	140,048
OTHER OPERATING EXPENSES	49,260	79,454	77,845	79,727	84,272	91,856	101,076	94,141	100,007
TOTAL OPERATING REVENUE EXPENSES	$281,485	$367,962	$408,401	$435,812	$497,802	$587,655	$609,104	$559,399	$594,167
INVESTMENT CREDIT - NET	$3,101	$1,943	$5,265	$8,743	($8,349)	$1,613	$732	$37,022	$18,826
FEDERAL INCOME TAXES	23,607	6,534	11,747	20,084	(34,900)	(14,171)	0	3,987	7,199
OTHER OPERATING TAXES	30,702	34,887	39,904	44,426	37,578	48,922	31,847	32,210	33,048
OPERATING FED.INCOME TAX DEFER - ACC.DEP	0	0	2,509	10,206	0	55,316	81,536	89,574	58,503
OPER.FED. INCOME TAX DEFER - OTHER	0	0	0	0	0	0	0	0	3,700
INC. CREDITS FROM PRIOR FED. TAXES	0	0	0	0	0	0	0	0	0
TOTAL OPERATING TAXES	$57,410	$43,364	$59,425	$83,459	($5,671)	$91,680	$114,115	$162,793	$121,276
TOTAL OPERATING REV DEDUCTIONS	$338,895	$411,326	$467,826	$519,271	$492,131	$679,335	$723,219	$722,192	$715,443
NET OPERATING INCOME	$107,624	$69,920	$52,806	$86,874	$253,098	$152,357	$224,284	$285,548	$286,921
100.1 TELEPHONE PLANT IN SERVICE	$1,480,660	$1,531,641	$1,595,670	$1,676,435	$2,823,738	$2,899,144	$2,927,819	$2,978,095	$3,039,056
100.3 PROPERTY HELD FOR FUTURE USE	0	0	0	0	0	0	0	0	0
LESS: 171 & 172 DEP. & AMORT. RESERVES	698,101	763,102	830,173	887,299	494,256	673,972	846,886	1,010,948	1,187,174
NET TELEPHONE PLANT END OF YEAR(DEC)	$782,559	$768,539	$765,497	$789,136	$2,329,482	$2,225,172	$2,080,933	$1,967,147	$1,851,882
PRIMARY STATISTICS									
MILES OF: WIRE IN CABLE	10,502	10,502	10,698	10,984	13,146	13,164	13,196	13,642	13,215
AERIAL WIRE	173	175	165	154	124	124	121	121	122
UNDERGROUND CONDUIT (SINGLE DUCT)	2	2	2	2	3	3	3	3	3
CARRIER CHANNEL(TELEPHONE)	0	0	0	0	0	0	0	0	0
NUMBER OF POLES	2,144	2,144	2,144	2,096	1,502	1,502	1,502	1,502	1,493
NUMBER OF CENTRAL OFFICES	2	2	2	2	2	2	2	2	2
ACCESS LINES(RESIDENTIAL)	0	0	0	0	0	1,232	1,136	1,150	1,164
ACCESS LINES(BUSINESS)	0	0	0	0	0	175	224	209	207
ACCESS LINES(PUBLIC)	0	0	0	0	0	16	16	18	17
ACCESS LINES(TOTAL)	0	0	0	0	0	1,423	1,376	1,377	1,388

TABLE 5.1

BLOCK1: BALANCE SHEET -- ASSETS
AUGUST 9, 1988

05 ELLENSBURG TELEPHONE - TOTAL COMPANY OPERATIONS
BALANCE SHEET - ASSETS AND OTHER DEBITS

		1979	1980	1981	1982	1983	1984	1985	1986	1987
TELEPHONE PLANT										
100.1	TELEPHONE PLANT IN SERVICE	$18,467,361	$19,676,920	$20,139,181	$22,322,336	$22,706,905	$22,424,979	$23,383,613	$24,035,168	$26,446,080
100.2	TELEPHONE PLANT UNDER CONSTRUCTION	0	0	100,030	299,158	0	0	104,654	2,363,169	75,222
100.3	PROPERTY HELD FOR FUTURE TELEPHONE USE	0	0	0	0	0	0	0	0	0
100.4	TELEPHONE PLANT ACQUISITION ADJUSTMENT	0	0	0	0	0	0	0	0	0
171	LESS: DEPRECIATION RESERVE	5,658,147	6,480,440	6,772,577	7,829,458	6,442,551	7,089,318	8,063,549	8,597,460	8,552,574
172	AMORTIZATION RESERVE	0	0	0	0	0	0	0	0	0
	TOTAL NET TELEPHONE PLANT	$12,809,214	$13,196,480	$13,466,634	$14,792,036	$16,264,354	$15,335,661	$15,424,718	$17,800,877	$17,968,728
INVESTMENTS AND FUNDS										
101.1	INVESTMENTS IN AFFILIATED COMPANIES	$0	$0	$0	$0	$0	$0	$0	$0	$0
101.2	ADVANCES TO AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
102	OTHER INVESTMENTS	0	0	0	0	0	0	0	0	0
103	MISCELLANEOUS PHYSICAL PROPERTY	0	0	0	0	792	8,731	43,217	54,737	55,363
104	SINKING FUNDS(EXCLUDING OWN ISSUES)	0	0	0	0	0	0	0	0	0
106	NONREGULATED INVESTMENT	0	0	0	0	0	0	0	262,120	135,781
136	PROVIDENT FUNDS(EXCLUDING OWN ISSUES)	0	0	0	0	0	0	0	0	0
	TOTAL INVESTMENTS AND FUNDS	$0	$0	$0	$0	$792	$8,731	$43,217	$316,857	$191,144
CURRENT ASSETS										
113	CASH	$26,812	$15,987	($52,722)	($213,888)	$1,354	$612,590	$209,811	$150,975	$372,261
114	SPECIAL CASH DEPOSITS	0	0	0	0	0	0	0	0	0
115	WORKING FUNDS	405	605	705	705	705	705	705	705	705
116	TEMPORARY CASH INVESTMENTS	600,000	1,700,000	2,226,559	2,346,195	2,748,415	5,334,658	8,202,726	8,634,762	9,906,107
117.1	NOTES RECEIVABLE FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
117.2	OTHER NOTES RECEIVABLE	0	0	0	0	0	0	0	0	0
118	DUE FROM CUSTOMERS AND AGENTS	69,707	43,099	62,748	76,603	70,991	166,166	206,744	497,807	287,523
120.1	ACCTS RECEIVABLE FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
120.2	OTHER ACCOUNTS RECEIVABLE	42,625	41,155	492,520	261,542	295,736	227,579	29,074	10,223	11,854
121	INTEREST AND DIVIDENDS RECEIVABLE	2,250	12,700	26,807	24,748	46,327	122,348	78,747	56,458	62,497
122	MATERIAL AND SUPPLIES	236,312	115,049	95,501	135,049	157,624	197,624	238,713	186,010	190,035
123	OTHER CURRENT ASSETS	0	0	0	0	0	0	0	0	0
	TOTAL CURRENT ASSETS	$978,111	$1,928,595	$2,852,118	$2,630,954	$3,321,152	$6,661,670	$8,966,520	$9,536,940	$10,830,982
PREPAID ACCOUNTS AND DEFERRED CHARGES										
129	PREPAID RENTS	$0	$0	$0	$0	$0	$0	$0	$0	$0
130	PREPAID TAXES	2,640	0	0	0	0	0	0	0	48,130
131	PREPAID INSURANCE	69,035	95,748	104,798	117,507	127,148	106,366	196,050	110,060	117,554
132	PREPAID DIRECTORY EXPENSESS	0	0	0	0	0	0	0	0	0
133	OTHER PREPAYMENTS	0	0	0	0	0	0	0	0	0
135	DISCOUNT ON LONG-TERM DEBT	12,999	11,923	10,846	9,770	8,693	7,616	6,540	5,545	4,480
138	EXTRAORDINARY MAINTENANCE & RETIREMENTS	0	0	0	0	0	0	0	0	0
139	OTHER DEFERRED CHARGES	0	0	0	0	0	0	0	0	0
	TOTAL PREPAID ACCOUNTS & DEFERRED CHARGES	$84,674	$107,671	$115,644	$127,277	$135,841	$113,982	$202,590	$115,605	$170,164
	TOTAL ASSETS AND OTHER DEBITS	$13,871,999	$15,232,746	$16,434,396	$17,550,267	$19,722,139	$22,120,044	$24,637,045	$27,770,279	$29,161,018

TABLE 5.2

BLOCK 2: BALANCE SHEET -- LIABILITIES
AUGUST 9, 1988

05 ELLENSBURG TELEPHONE - TOTAL COMPANY OPERATIONS
BALANCE SHEET - LIABILITIES AND OTHER CREDITS

		1979	1980	1981	1982	1983	1984	1985	1986	1987
STOCKHOLDERS EQUITY										
150	CAPITAL STOCK (ACTUALLY OUTSTANDING)	$3,416,440	$3,591,180	$3,769,570	$3,967,200	$4,203,560	$4,443,550	$4,664,360	$5,129,800	$5,384,870
152	PREMIUM ON CAPITAL STOCK	1,258,733	1,590,739	1,929,680	2,325,940	2,869,568	3,421,545	3,951,489	5,161,633	5,952,350
179	OTHER CAPITAL	0	0	0	0	0	0	0	0	0
180	RETAINED EARNINGS RESERVED	0	0	0	0	0	0	0	0	0
181	UNAPPROPRIATED RETAINED EARNINGS	3,019,011	3,706,844	4,356,875	4,451,284	4,925,070	6,032,839	7,178,520	7,902,829	8,377,621
134.1	LESS: DISCOUNT ON CAPITAL STOCK	0	0	0	0	0	0	0	0	0
134.2	CAPITAL STOCK EXPENSE	0	0	0	0	0	0	0	0	0
	TOTAL NET STOCKHOLDERS' EQUITY	$7,694,184	$8,888,763	$10,056,125	$10,744,424	$11,998,198	$13,897,934	$15,794,369	$18,194,262	$19,714,841
LONG-TERM DEBT										
154.1	FUNDED DEBT	$3,775,250	$3,702,500	$3,629,750	$3,557,000	$3,484,250	$3,411,500	$3,338,750	$3,266,000	$3,193,250
156	ADVANCES FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
157	OTHER LONG-TERM DEBT	0	0	0	0	0	0	0	0	0
	TOTAL LONG-TERM DEBT	$3,775,250	$3,702,500	$3,629,750	$3,557,000	$3,484,250	$3,411,500	$3,338,750	$3,266,000	$3,193,250
CURRENT AND ACCRUED LIABILITIES										
158.1	NOTES PAYABLE TO AFFILIATED COMPANIES	$0	$0	$0	$0	$0	$0	$0	$0	$0
158.2	OTHER NOTES PAYABLE	0	0	90,000	72,750	254,356	107,079	72,750	72,750	72,750
159.1	ACCOUNTS PAYABLE TO AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
159.2	OTHER ACCOUNTS PAYABLE	190,221	133,987	118,259	334,079	121,521	196,930	770,348	1,244,650	93,635
160	CUSTOMERS' DEPOSITS	22,884	45,655	68,831	87,878	89,849	81,102	54,433	53,496	55,355
162	MATURED INTEREST AND DIVIDENDS	0	0	0	0	0	0	0	0	0
163	MATURED LONG-TERM DEBT	0	0	0	0	0	0	0	0	0
164	ADVANCE BILLING AND PAYMENTS	0	0	0	0	0	0	0	0	0
165	OTHER CURRENT LIABILITIES	200,746	215,971	139,124	186,360	213,701	207,599	213,749	224,747	230,795
166	TAXES ACCRUED	392,185	426,855	238,645	54,105	599,025	686,242	224,275	(206,164)	687,580
167	UNMATURED INTEREST, DIV. & RENTS ACCRUED	36,712	36,033	35,342	34,652	33,703	33,272	32,582	31,893	30,816
	TOTAL CURRENT AND ACCRUED LIABILITIES	$842,748	$858,501	$690,201	$769,824	$1,312,155	$1,312,224	$1,368,137	$1,421,372	$1,170,931
DEFERRED CREDITS AND OPERATING RESERVES										
168	PREMIUM ON LONG-TERM DEBT	$0	$0	$0	$0	$0	$0	$0	$0	$0
169	INSURANCE RESERVES	0	0	0	0	0	0	0	0	0
170	PROVIDENT RESERVES	0	0	0	0	0	0	0	0	0
174	OTHER DEFERRED CREDITS	710,300	769,513	838,574	1,002,805	1,208,022	1,176,733	1,183,607	1,261,345	1,128,824
176.1	ACCUM.DEFERRED INCOME TAXES-ACC. TAX DEP.	849,516	1,013,470	1,219,746	1,476,214	1,719,514	2,321,653	2,952,182	3,627,300	3,953,172
176.2	ACCUM.DEFERRED INCOME TAXES - OTHER	0	0	0	0	0	0	0	0	0
	TOTAL DEFERRED CREDITS & OPERATING RESERVES	$1,559,816	$1,782,983	$2,058,320	$2,479,019	$2,927,536	$3,498,386	$4,135,789	$4,888,645	$5,081,996
	TOTAL LIABILITIES AND OTHER CREDITS	$13,871,998	$15,232,747	$16,434,396	$17,550,267	$19,722,139	$22,120,044	$24,637,045	$27,770,279	$29,161,018

TABLE 5.3

BLOCK3 -- INCOME AND RETAINED EARNINGS
AUGUST 9, 1988

05 ELLENSBURG TELEPHONE - TOTAL COMPANY OPERATIONS
INCOME AND RETAINED EARNINGS STATEMENT

	1979	1980	1981	1982	1983	1984	1985	1986	1987
NET INCOME									
NET OPERATING INCOME -WASHINGTON	$1,572,574	$1,658,228	$1,533,054	$1,103,474	$1,777,587	$2,354,300	$2,445,372	2,303,407	$2,046,321
-OTHER STATES	0	0	0	0	0	0	0	0	0
TOTAL NET OPERATING INCOME	$1,572,574	$1,658,228	$1,533,054	$1,103,474	$1,777,587	$2,354,300	$2,445,372	$2,303,407	$2,046,321
INTEREST CHARGED TO CONSTRUCTION	0	0	3,695	1,141	0	0	0	0	0
OTHER INCOME	39,933	120,287	332,036	304,976	267,968	501,754	631,284	566,352	501,899
MISCELLANEOUS DEDUCTIONS FROM INCOME	1,531	805	805	850	133,670	236,169	304,975	159,575	(25,325)
INTEREST ON FUNDED DEBT	248,967	244,335	239,688	235,052	230,417	225,781	221,145	216,509	211,487
OTHER FIXED CHARGES	3,021	3,297	6,347	7,909	15,816	25,999	19,626	5,396	4,686
EXTRAORDINARY/DELAYED ITEMS BEFORE TAX EFFECT	0	0	0	0	0	0	0	610,149	0
INCOME TAX EFFECT OF EXTRAORDINARY/DELAYED ITEMS	0	0	0	0	0	0	0	0	0
NET INCOME	$1,358,988	$1,530,078	$1,621,945	$1,165,780	$1,665,652	$2,368,105	$2,530,910	$3,098,428	$2,357,372
RETAINED EARNINGS (ACCOUNT 181)									
BALANCE AT BEGINNING OF YEAR	$2,378,205	$3,019,011	$3,706,844	$4,356,874	$4,451,284	$4,925,071	$6,032,839	$7,178,520	$7,902,829
CREDITS: NET INCOME(AS ABOVE)	$1,358,988	$1,530,079	$1,621,946	$1,165,780	$1,665,652	$2,368,105	$2,530,910	$3,098,428	$2,357,372
OTHER CREDITS	0	0	0	0	0	0	0	0	0
TOTAL CREDITS	$1,358,988	$1,530,079	$1,621,946	$1,165,780	$1,665,652	$2,368,105	$2,530,910	$3,098,428	$2,357,372
DEBITS: DIVIDEND APPROPRIATIONS	$718,181	$842,246	$971,914	$1,071,370	$1,191,866	$1,260,337	$1,385,229	$2,374,119	$1,882,580
OTHER DEBITS	0	0	0	0	0	0	0	0	0
TOTAL DEBITS	$718,181	$842,246	$971,914	$1,071,370	$1,191,866	$1,260,337	$1,385,229	$2,374,119	$1,882,580
BALANCE AT END OF YEAR	$3,019,012	$3,706,844	$4,356,876	$4,451,284	$4,925,070	$6,032,839	$7,178,520	$7,902,829	$8,377,621

TABLE 5.4

BLOCK4: NET INCOME & PLANT STATS.
AUGUST 9, 1988

05 ELLENSBURG TELEPHONE - TOTAL COMPANY OPERATIONS
NET OPERATING INCOME AND PLANT STATISTICS

	1979	1980	1981	1982	1983	1984	1985	1986	1987
OPERATING REVENUES									
LOCAL SERVICE	$2,176,233	$2,311,856	$2,424,227	$2,412,766	$2,707,931	$2,716,964	$2,753,276	$2,591,474	$2,359,539
ACCESS REVENUES (1)	0	0	0	0	0	144,592	0	5,663,418	5,393,763
TOLL SERVICE	3,022,823	3,526,778	4,029,889	3,996,972	5,286,548	5,811,541	5,772,860	(414)	4,178
MISCELLANEOUS	126,401	124,779	170,706	151,202	164,734	165,857	298,473	940,651	1,067,596
UNCOLLECTIBLES - DEBIT	46,354	51,236	42,353	26,440	25,531	29,149	76,729	16,096	26,480
TOTAL OPERATING REVENUES	$5,279,103	$5,912,177	$6,582,469	$6,534,500	$8,133,682	$8,809,805	$8,747,879	$9,179,033	$8,798,596
OPERATING REVENUE EXPENSES									
MAINTENANCE	$591,813	$681,337	$931,268	$1,107,539	$1,526,836	$1,076,732	$946,556	$1,177,410	$1,102,214
DEPRECIATION AND AMORTIZATION	803,097	993,486	1,172,887	1,547,507	1,723,502	1,693,370	1,403,688	1,479,778	1,673,628
TRAFFIC	245,632	275,187	297,592	304,410	364,347	349,159	381,621	408,721	426,997
COMMERCIAL	199,108	221,034	271,610	296,968	272,380	320,766	422,063	482,755	502,771
ACCESS EXPENSES	0	0	0	0	0	0	0	0	0
GENERAL OFFICE	279,826	302,688	404,104	452,262	482,226	558,527	633,185	648,826	654,067
OTHER OPERATING EXPENSES	194,621	208,077	270,400	293,191	323,456	343,743	249,510	331,260	340,788
TOTAL OPERATING REVENUE EXPENSES	$2,314,097	$2,681,809	$3,347,861	$4,001,877	$4,692,747	$4,342,297	$4,036,623	$4,528,750	$4,700,465
INVESTMENT CREDIT - NET	$115,868	$59,213	$69,061	$164,231	$205,217	($31,249)	($120,316)	($133,520)	($132,521)
FEDERAL INCOME TAXES	664,032	911,833	949,663	546,301	758,783	1,143,891	1,316,259	1,339,902	1,391,643
OTHER OPERATING TAXES	402,431	437,141	476,554	462,149	456,048	398,436	437,884	465,376	543,510
OPERATING FED.INCOME TAX DEFER - ACC.DEP	210,100	163,954	206,276	256,468	243,300	602,129	632,057	675,118	249,178
OPER.FED. INCOME TAX DEFER - OTHER	0	0	0	0	0	0	0	0	0
INC. CREDITS FROM PRIOR FED. TAXES	0	0	0	0	0	0	0	0	0
TOTAL OPERATING TAXES	$1,392,431	$1,572,141	$1,701,554	$1,429,149	$1,663,348	$2,113,207	$2,265,884	$2,346,876	$2,051,810
TOTAL OPERATING REV DEDUCTIONS	$3,706,528	$4,253,950	$5,049,415	$5,431,026	$6,356,095	$6,455,504	$6,302,507	$6,875,626	$6,752,275
NET OPERATING INCOME	$1,572,575	$1,658,227	$1,533,054	$1,103,474	$1,777,587	$2,354,301	$2,445,372	$2,303,407	$2,046,321
100.1 TELEPHONE PLANT IN SERVICE	$18,467,361	$19,676,920	$20,139,181	$22,322,337	$22,706,905	$22,424,979	$23,383,613	$24,035,168	$26,446,080
100.3 PROPERTY HELD FOR FUTURE USE	0	0	0	0	0	0	0	0	0
LESS: 171 & 172 DEP. & AMORT. RESERVES	5,658,147	6,480,440	6,772,577	7,829,458	6,442,551	7,089,318	8,063,549	8,597,460	8,552,574
NET TELEPHONE PLANT END OF YEAR(DEC)	$12,809,214	$13,196,480	$13,366,604	$14,492,879	$16,264,354	$15,335,661	$15,320,064	$15,437,708	$17,893,506
PRIMARY STATISTICS									
MILES OF: WIRE IN CABLE	144,675	137,863	137,722	149,164	141,370	149,445	152,525	160,998	183,710
AERIAL WIRE	1,584	1,326	903	901	1,011	1,012	923	1,058	1,034
UNDERGROUND CONDUIT (SINGLE DUCT)	78	81	82	83	85	87	89	92	99
CARRIER CHANNEL(TELEPHONE)	4,112	4,317	4,317	4,528	4,528	4,528	4,748	4,843	2,219
NUMBER OF POLES	10,407	10,262	11,021	9,456	10,918	10,935	10,917	10,857	11,001
NUMBER OF CENTRAL OFFICES	5	5	5	5	5	5	5	5	5
ACCESS LINES(RESIDENTIAL)	0	0	0	0	0	10,337	10,537	10,870	11,177
ACCESS LINES(BUSINESS)	0	0	0	0	0	2,159	2,038	2,067	2,147
ACCESS LINES(PUBLIC)	0	0	0	0	0	121	121	159	161
ACCESS LINES(TOTAL)	0	0	0	0	0	12,617	12,696	13,096	13,485

(1) COMPANY RECORDS DID NOT SEPARATE ACCESS RECENUES IN 1985.

TABLE 6.1

BLOCK1: BALANCE SHEET -- ASSETS(Total Company)
AUGUST 1, 1988

06 GENERAL TELEPHONE - TOTAL COMPANY OPERATIONS
BALANCE SHEET - ASSETS AND OTHER DEBITS

		1979	1980	1981	1982	1983	1984	1985	1986	1987
TELEPHONE PLANT										
100.1	TELEPHONE PLANT IN SERVICE	$1,002,774,821	$1,203,625,390	$1,331,218,475	$1,400,414,380	$1,433,037,589	$1,514,415,063	$1,617,270,573	$1,713,662,077	$1,791,180,629
100.2	TELEPHONE PLANT UNDER CONSTRUCTION	125,921,626	95,341,434	81,174,244	82,770,219	108,746,660	90,390,505	70,372,207	71,106,861	55,850,400
100.3	PROPERTY HELD FOR FUTURE TELEPHONE USE	3,158,642	97,260	0	0	0	0	0	0	824,140
100.4	TELEPHONE PLANT ACQUISITION ADJUSTMENT	0	0	0	0	(79,512)	0	0	0	0
171	LESS: DEPRECIATION RESERVE	187,491,192	207,196,838	224,488,015	265,529,495	335,427,852	375,118,815	407,908,380	458,807,568	481,436,704
172	AMORTIZATION RESERVE	0	0	0	0	0	0	0	0	0
	TOTAL NET TELEPHONE PLANT	$944,363,897	$1,091,867,246	$1,187,904,704	$1,217,655,104	$1,206,276,885	$1,229,686,753	$1,279,734,401	$1,325,961,370	$1,366,418,466
INVESTMENTS AND FUNDS										
101.1	INVESTMENTS IN AFFILIATED COMPANIES	$2,329,400	$2,329,400	$2,329,400	$2,329,400	$2,329,400	$2,329,400	$2,329,400	$2,329,400	$2,329,400
101.2	ADVANCES TO AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
102	OTHER INVESTMENTS	9,475	9,475	9,475	9,475	6,175	6,175	6,175	6,175	12,535
103	MISCELLANEOUS PHYSICAL PROPERTY	174,528	4,539,958	4,533,696	4,860,777	8,768,100	9,483,120	4,434,130	3,128,528	3,142,223
104	SINKING FUNDS(EXCLUDING OWN ISSUES)	250	0	0	0	0	0	0	0	0
106	NONREGULATED INVESTMENT	0	0	0	0	0	0	11,618,610	25,654,929	23,625,928
136	PROVIDENT FUNDS(EXCLUDING OWN ISSUES)	0	0	0	0	0	0	0	0	0
	TOTAL INVESTMENTS AND FUNDS	$2,513,653	$6,878,833	$6,872,571	$7,199,652	$11,103,675	$11,818,695	$18,388,315	$31,119,032	$29,110,086
CURRENT ASSETS										
113	CASH	($7,871,628)	$40,643	$41,000	$35,000	$43,000	$18,000	$445,125	$0	$0
114	SPECIAL CASH DEPOSITS	68,594	0	0	19,276	33,117	4,400	4,300	0	22,501
115	WORKING FUNDS	297,620	515,196	228,635	278,912	185,144	182,894	209,716	271,725	370,718
116	TEMPORARY CASH INVESTMENTS	9,500,000	0	0	0	0	0	0	0	0
117.1	NOTES RECEIVABLE FROM AFFILIATED COMPANIES	2,260,000	3,430,000	4,116,000	3,645,000	23,720,000	18,522,000	2,292,000	2,438,000	3,149,000
117.2	OTHER NOTES RECEIVABLE	0	0	0	0	0	0	0	0	2,369
118	DUE FROM CUSTOMERS AND AGENTS	34,556,674	37,408,918	44,889,283	44,703,427	47,600,842	52,134,019	75,086,432	79,664,092	101,125,091
120.1	ACCTS RECEIVABLE FROM AFFILIATED COMPANIES	1,527,470	509,438	500,278	1,441,950	291,875	(1,063,587)	2,589,049	1,654,796	(548,195)
120.2	OTHER ACCOUNTS RECEIVABLE	5,375,930	13,464,808	5,874,208	9,376,716	5,117,395	6,764,789	12,360,435	9,244,819	7,804,307
121	INTEREST AND DIVIDENDS RECEIVABLE	0	0	0	0	0	260,174	36,770	0	33,808
122	MATERIAL AND SUPPLIES	21,323,217	20,739,418	8,707,150	4,364,356	5,354,183	2,963,302	4,029,424	4,142,634	3,771,149
123	OTHER CURRENT ASSETS	0	0	0	0	0	3,940,402	0	0	0
	TOTAL CURRENT ASSETS	$67,037,877	$76,108,421	$64,356,554	$63,864,637	$82,345,556	$83,726,393	$97,053,250	$97,416,066	$115,730,747
PREPAID ACCOUNTS AND DEFERRED CHARGES										
129	PREPAID RENTS	$0	$35,076	$20,524	$43,137	$37,197	$49,526	$175,587	$181,113	$183,988
130	PREPAID TAXES	18,124	20,588	21,745	139,101	297,874	127,347	146,084	266,771	205,183
131	PREPAID INSURANCE	218,670	248,466	216,348	162,496	219,273	907,123	600,066	499,970	503,430
132	PREPAID DIRECTORY EXPENSESS	337,924	258,022	345,514	375,992	275,666	338,520	295,121	378,371	383,347
133	OTHER PREPAYMENTS	239,340	94,461	133,321	49,738	0	(88)	257,303	331,447	199,076
135	DISCOUNT ON LONG-TERM DEBT	3,436,671	4,885,638	4,634,358	4,387,006	4,095,975	3,787,302	3,575,747	22,775,737	23,569,215
138	EXTRAORDINARY MAINTENANCE & RETIREMENTS	0	0	0	0	0	0	0	0	0
139	OTHER DEFERRED CHARGES	3,471,287	3,819,593	3,195,611	4,072,622	3,544,388	5,050,011	4,584,239	3,152,178	6,169,023
	TOTAL PREPAID ACCOUNTS & DEFERRED CHARGES	$7,722,016	$9,361,844	$8,567,421	$9,230,092	$8,470,373	$10,259,741	$9,634,148	$27,585,587	$31,213,262
	TOTAL ASSETS AND OTHER DEBITS	$1,021,637,443	$1,184,216,344	$1,267,701,250	$1,297,949,485	$1,308,196,489	$1,335,491,582	$1,404,810,113	$1,482,082,055	$1,542,472,561

TABLE 6.2

BLOCK 2: BALANCE SHEET--LIABILITIES(Tot.Company)
AUGUST 1, 1988

06 GENERAL TELEPHONE - TOTAL COMPANY OPERATIONS
BALANCE SHEET - LIABILITIES AND OTHER CREDITS

		1979	1980	1981	1982	1983	1984	1985	1986	1987
STOCKHOLDERS EQUITY										
150	CAPITAL STOCK (ACTUALLY OUTSTANDING)	$319,000,000	$358,200,000	$401,709,200	$401,589,200	$389,550,200	$389,344,200	$386,719,200	$383,219,200	$403,850,000
152	PREMIUM ON CAPITAL STOCK	0	0	0	0	0	0	0	0	0
179	OTHER CAPITAL	0	0	0	0	1,593,264	2,155,621	2,249,361	2,249,361	2,249,361
180	RETAINED EARNINGS RESERVED	0	0	0	0	0	0	0	0	0
181	UNAPPROPRIATED RETAINED EARNINGS	80,033,110	93,694,534	105,589,635	119,049,912	133,739,134	144,483,381	170,843,879	200,102,289	228,765,407
134.1	LESS: DISCOUNT ON CAPITAL STOCK	0	0	0	0	0	0	0	0	0
134.2	CAPITAL STOCK EXPENSE	0	0	0	0	0	0	0	0	0
	TOTAL NET STOCKHOLDERS' EQUITY	$399,033,110	$451,894,534	$507,298,835	$520,639,112	$524,882,598	$535,983,202	$559,812,440	$585,570,850	$634,864,768
LONG-TERM DEBT										
154.1	FUNDED DEBT	$387,479,000	$478,804,000	$458,129,000	$453,689,000	$441,602,000	$402,703,000	$388,814,000	$402,230,000	$449,620,000
156	ADVANCES FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
157	OTHER LONG-TERM DEBT	0	0	0	0	0	0	0	0	0
	TOTAL LONG-TERM DEBT	$387,479,000	$478,804,000	$458,129,000	$453,689,000	$441,602,000	$402,703,000	$388,814,000	$402,230,000	$449,620,000
CURRENT AND ACCRUED LIABILITIES										
158.1	NOTES PAYABLE TO AFFILIATED COMPANIES	$0	$0	$0	$0	$0	$0	$0	$0	$0
158.2	OTHER NOTES PAYABLE	42,459,000	20,900,000	26,450,000	10,500,000	0	0	35,500,000	39,000,000	8,000,000
159.1	ACCOUNTS PAYABLE TO AFFILIATED COMPANIES	14,857,216	12,146,943	10,650,956	10,461,832	9,869,031	11,385,106	10,138,804	13,173,610	8,455,042
159.2	OTHER ACCOUNTS PAYABLE	16,820,044	22,005,470	18,225,878	17,955,809	23,024,042	52,201,007	64,623,376	59,176,587	70,185,219
160	CUSTOMERS' DEPOSITS	257,756	756,318	1,228,602	1,242,672	1,232,096	1,213,171	1,024,160	699,405	551,024
162	MATURED INTEREST AND DIVIDENDS	0	0	0	0	0	0	0	0	0
163	MATURED LONG-TERM DEBT	0	0	0	0	0	0	0	0	0
164	ADVANCE BILLING AND PAYMENTS	5,478,992	5,951,869	6,697,505	7,379,878	7,936,826	8,448,099	9,147,909	10,045,554	10,943,582
165	OTHER CURRENT LIABILITIES	4,388,076	5,816,407	6,260,502	7,649,230	10,029,193	23,095,897	25,264,814	17,589,147	22,878,118
166	TAXES ACCRUED	7,488,929	(4,567,679)	8,552,914	12,493,349	18,206,548	19,173,266	7,226,038	38,720,279	30,164,887
167	UNMATURED INTEREST, DIV. & RENTS ACCRUED	17,724,006	24,516,492	28,160,357	28,823,699	30,506,147	13,873,931	13,858,476	10,855,637	23,671,618
	TOTAL CURRENT AND ACCRUED LIABILITIES	$109,474,019	$87,525,820	$106,226,714	$96,506,469	$100,803,883	$129,390,477	$166,783,576	$189,260,219	$174,849,491
DEFERRED CREDITS AND OPERATING RESERVES										
168	PREMIUM ON LONG-TERM DEBT	$0	$0	$0	$0	$0	$0	$0	$0	$0
169	INSURANCE RESERVES	0	0	0	0	0	0	0	0	0
170	PROVIDENT RESERVES	1,956,987	2,113,061	993,452	2,399,940	2,907,985	3,393,388	3,638,082	3,833,037	8,695,536
174	OTHER DEFERRED CREDITS	49,602,616	69,419,539	77,675,447	79,396,107	78,654,065	88,295,050	84,065,022	83,851,738	63,575,677
176.1	ACCUM.DEFERRED INCOME TAXES-ACC. TAX DEP.	73,530,674	93,925,279	117,424,481	145,372,365	159,403,200	175,787,441	201,761,705	209,558,829	203,468,433
176.2	ACCUM.DEFERRED INCOME TAXES - OTHER	561,039	534,110	(46,677)	(53,508)	(57,242)	(60,976)	(64,711)	7,777,382	7,398,656
	TOTAL DEFERRED CREDITS & OPERATING RESERVES	$125,651,316	$165,991,989	$196,046,703	$227,114,904	$240,908,008	$267,414,903	$289,400,098	$305,020,986	$283,138,303
	TOTAL LIABILITIES AND OTHER CREDITS	$1,021,637,445	$1,184,216,343	$1,267,701,252	$1,297,949,485	$1,308,196,489	$1,335,491,582	$1,404,810,113	$1,482,082,055	$1,542,472,561

TABLE 6.3

BLOCK3 -- INCOME & RETAINED EARNINGS(Tot.Company)
AUGUST 1, 1988

06 GENERAL TELEPHONE - TOTAL COMPANY OPERATIONS
INCOME AND RETAINED EARNINGS STATEMENT

	1979	1980	1981	1982	1983	1984	1985	1986	1987
NET INCOME									
NET OPERATING INCOME -WASHINGTON	$39,004,734	$51,788,442	$56,592,120	$61,520,752	$59,926,642	$66,189,704	$72,352,500	$76,150,532	$76,314,622
-OTHER STATES	34,372,015	41,230,783	48,010,253	47,732,911	49,711,469	49,892,603	52,789,467	47,614,723	46,698,066
TOTAL NET OPERATING INCOME	$73,376,749	$93,019,225	$104,602,373	$109,253,663	$109,638,111	$116,082,307	$125,141,967	$123,765,255	$123,012,688
INTEREST CHARGED TO CONSTRUCTION	3,452,582	2,927,140	2,345,081	4,545,666	8,058,448	8,798,119	4,202,824	2,886,429	4,558,158
OTHER INCOME	655,988	2,000,957	2,787,941	1,195,795	1,727,867	377,401	908,548	(3,376,463)	(6,425,508)
MISCELLANEOUS DEDUCTIONS FROM INCOME	587,613	1,396,950	2,051,548	641,621	693,854	177,877	633,281	479,181	616,964
INTEREST ON FUNDED DEBT	26,027,457	38,346,646	44,459,796	42,572,510	41,858,866	38,451,430	37,331,626	35,476,125	32,665,783
OTHER FIXED CHARGES	6,105,163	7,668,795	3,788,978	4,706,638	834,075	1,994,564	(438,500)	2,852,660	3,029,944
EXTRAORDINARY/DELAYED ITEMS BEFORE TAX EFFECT	162,341	931,738	474,596	533,730	607,282	1,690,969	(2,229)	43,328	(31,738)
INCOME TAX EFFECT OF EXTRAORDINARY/DELAYED ITEMS	33,500	385,456	168,762	252,984	288,191	805,591	15	21,393	(13,213)
NET INCOME	$44,893,927	$51,081,213	$59,740,907	$67,355,101	$76,356,722	$85,519,334	$92,724,688	$84,489,190	$84,814,122
RETAINED EARNINGS (ACCOUNT 181)									
BALANCE AT BEGINNING OF YEAR	$67,739,368	$80,033,110	$93,694,534	$105,589,635	$119,049,911	$133,739,134	$144,483,381	$170,843,879	$200,102,289
CREDITS: NET INCOME(AS ABOVE)	$44,893,928	$51,081,213	$59,740,907	$67,355,101	$76,356,722	$85,519,334	$92,724,688	$84,489,190	$84,814,122
OTHER CREDITS	0	68,588	423,589	25,350	0	0	0	0	0
TOTAL CREDITS	$44,893,928	$51,149,801	$60,164,496	$67,380,451	$76,356,722	$85,519,334	$92,724,688	$84,489,190	$84,814,122
DEBITS: DIVIDEND APPROPRIATIONS	$32,427,111	$37,484,188	$48,269,395	$53,920,175	$61,667,499	$74,257,404	$66,364,190	$55,224,020	$56,151,004
OTHER DEBITS	173,075	4,188	0	0	0	517,683	0	0	0
TOTAL DEBITS	$32,600,186	$37,488,376	$48,269,395	$53,920,175	$61,667,499	$74,775,087	$66,364,190	$55,224,020	$56,151,004
BALANCE AT END OF YEAR	$80,033,110	$93,694,535	$105,589,635	$119,049,911	$133,739,134	$144,483,381	$170,843,879	$200,109,049	$228,765,407

LINE 29: A debit adjustment of $6,759.47 was made to beginning Unappropriated retained earnings for 1987 due to a prior period out of balance condition.

TABLE 6.4

BLOCK4: NET INCOME & PLANT STATS. (Total State)
AUGUST 1, 1988

06 GENERAL TELEPHONE - WASHINGTON STATE OPERATIONS ONLY
NET OPERATING INCOME AND PLANT STATISTICS

	1979	1980	1981	1982	1983	1984	1985	1986	1987
OPERATING REVENUES									
LOCAL SERVICE	$80,094,478	$92,556,771	$99,398,527	$119,383,805	$120,722,945	$121,859,252	$123,471,671	$132,778,644	$135,035,526
ACCESS REVENUES	0	0	0	0	0	83,996,934	99,865,656	104,677,905	147,445,179
TOLL SERVICE	94,701,562	115,951,647	138,651,059	155,023,474	157,404,117	61,952,029	69,578,971	88,477,579	36,089,306
MISCELLANEOUS	5,187,843	6,289,763	7,578,616	8,751,448	17,798,605	40,933,619	47,149,652	45,689,763	47,702,177
UNCOLLECTIBLES - DEBIT	332,556	401,839	2,357,245	3,070,720	1,764,464	1,578,084	1,777,184	3,206,579	2,583,018
TOTAL OPERATING REVENUES	$179,651,327	$214,396,342	$243,270,957	$280,088,007	$294,161,203	$307,163,750	$338,288,766	$368,417,312	$363,689,169
OPERATING REVENUE EXPENSES									
MAINTENANCE	$42,476,126	$44,017,359	$48,753,310	$57,503,019	$56,906,504	$55,159,777	$58,208,848	$59,568,245	$54,893,343
DEPRECIATION AND AMORTIZATION	32,130,632	39,330,785	44,268,346	52,501,202	57,852,447	58,907,631	59,843,506	73,948,533	83,085,964
TRAFFIC	8,012,306	8,314,508	8,303,353	9,379,159	9,691,910	9,587,222	8,116,935	8,055,840	7,895,957
COMMERCIAL	14,225,439	15,762,543	17,100,369	18,148,642	26,567,333	30,432,279	35,027,807	38,350,445	40,477,828
ACCESS EXPENSES	0	0	0	0	0	0	0	0	0
GENERAL OFFICE	11,742,321	14,441,645	17,108,713	20,095,844	18,309,855	18,553,081	20,942,427	22,193,789	23,916,919
OTHER OPERATING EXPENSES	10,409,749	12,744,258	15,425,307	19,656,399	21,816,690	24,417,119	27,764,551	35,308,026	20,957,251
TOTAL OPERATING REVENUE EXPENSES	$118,996,573	$134,611,098	$150,959,398	$177,284,265	$191,144,739	$197,057,109	$209,904,075	$237,424,878	$231,227,263
INVESTMENT CREDIT - NET	$7,320,555	$11,889,465	$6,921,082	$1,762,508	($300,498)	$3,130,333	$3,490,745	($3,675,806)	($8,437,368)
FEDERAL INCOME TAXES	(6,499,262)	(11,942,431)	(3,240,756)	3,176,666	16,530,054	13,236,565	15,128,638	22,241,806	42,932,239
OTHER OPERATING TAXES	12,367,796	16,136,337	19,669,020	21,127,732	21,039,409	18,439,620	20,332,804	22,405,560	24,737,709
OPERATING FED.INCOME TAX DEFER - ACC.DEP	8,594,302	12,345,397	14,960,288	17,094,550	9,698,341	16,812,464	23,511,774	19,289,466	11,527,346
OPER.FED. INCOME TAX DEFER - OTHER	0	0	(314,247)	290,210	1,152	0	0	4,243,023	0
INC. CREDITS FROM PRIOR FED. TAXES	133,370	431,965	2,275,949	2,168,676	3,878,636	7,702,045	6,431,770	9,662,146	14,612,642
TOTAL OPERATING TAXES	$21,650,021	$27,996,803	$35,719,438	$41,282,990	$43,089,822	$43,916,937	$56,032,191	$54,841,903	$56,147,284
TOTAL OPERATING REV DEDUCTIONS	$140,646,594	$162,607,901	$186,678,836	$218,567,255	$234,234,561	$240,974,046	$265,936,266	$292,266,781	$287,374,547
NET OPERATING INCOME	$39,004,733	$51,788,441	$56,592,121	$61,520,752	$59,926,642	$66,189,704	$72,352,500	$76,150,531	$76,314,622
100.1 TELEPHONE PLANT IN SERVICE	$561,371,102	$686,088,195	$743,524,727	$777,882,551	$794,667,377	$826,795,063	$889,539,573	$945,911,233	$987,502,483
100.3 PROPERTY HELD FOR FUTURE USE	2,497,380	46,048	0	0	0	0	0	0	0
LESS: 171 & 172 DEP. & AMORT. RESERVES	108,505,168	127,521,152	131,680,376	151,516,495	187,471,056	194,224,722	207,276,522	246,732,966	263,740,821
NET TELEPHONE PLANT END OF YEAR(DEC)	$455,363,314	$558,613,091	$611,844,351	$626,366,056	$607,196,321	$632,570,341	$682,263,051	$699,178,267	$723,761,661
PRIMARY STATISTICS									
MILES OF: WIRE IN CABLE	3,110,404	3,685,652	3,914,802	3,994,536	4,068,302	4,140,159	4,247,463	4,388,378	4,547,901
AERIAL WIRE	4,830	4,430	4,312	4,200	4,043	4,012	3,932	3,835	3,780
UNDERGROUND CONDUIT (SINGLE DUCT)	2,157	2,221	2,191	2,232	2,248	2,285	2,411	2,561	2,662
CARRIER CHANNEL(TELEPHONE)	467,824	623,734	758,379	790,941	801,295	818,424	885,835	908,825	959,018
NUMBER OF POLES	126,050	131,497	131,801	131,191	130,867	131,633	131,192	130,186	130,681
NUMBER OF CENTRAL OFFICES	71	73	74	74	73	75	75	75	76
ACCESS LINES(RESIDENTIAL)	0	0	0	0	0	312,914	325,487	340,126	356,088
ACCESS LINES(BUSINESS)	0	0	0	0	0	76,256	88,972	96,022	109,945
ACCESS LINES(PUBLIC)	0	0	0	0	0	3,288	3,517	3,765	3,908
ACCESS LINES(TOTAL)	0	0	0	0	0	392,458	417,976	439,913	469,941

TABLE 7.1

BLOCK1: BALANCE SHEET -- ASSETS
JULY 29, 1988

07 HAT ISLAND TELEPHONE - TOTAL COMPANY OPERATIONS
BALANCE SHEET - ASSETS AND OTHER DEBITS

		1979	1980	1981	1982	1983	1984	1985	1986	1987
TELEPHONE PLANT										
100.1	TELEPHONE PLANT IN SERVICE	$32,855	$36,382	$81,474	$75,801	$99,724	$115,925	$134,590	$142,562	$158,537
100.2	TELEPHONE PLANT UNDER CONSTRUCTION	0	0	0	0	0	0	0	0	0
100.3	PROPERTY HELD FOR FUTURE TELEPHONE USE	0	0	0	0	0	0	0	0	0
100.4	TELEPHONE PLANT ACQUISITION ADJUSTMENT	0	0	0	0	0	0	0	0	0
171	LESS: DEPRECIATION RESERVE	11,732	13,056	14,398	11,951	14,363	17,314	20,933	24,873	29,153
172	AMORTIZATION RESERVE	0	0	0	0	0	0	0	0	0
	TOTAL NET TELEPHONE PLANT	$21,123	$23,326	$67,076	$63,850	$85,361	$98,611	$113,657	$117,689	$129,384
INVESTMENTS AND FUNDS										
101.1	INVESTMENTS IN AFFILIATED COMPANIES	$0	$0	$0	$0	$0	$0	$0	$0	$0
101.2	ADVANCES TO AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
102	OTHER INVESTMENTS	0	0	5,062	5,062	5,062	5,062	5,062	5,062	5,103
103	MISCELLANEOUS PHYSICAL PROPERTY	0	0	0	0	0	0	0	0	0
104	SINKING FUNDS(EXCLUDING OWN ISSUES)	0	0	0	0	0	0	0	0	0
106	NONREGULATED INVESTMENT	0	0	0	0	0	0	0	0	0
136	PROVIDENT FUNDS(EXCLUDING OWN ISSUES)	0	0	0	0	0	0	0	0	0
	TOTAL INVESTMENTS AND FUNDS	$0	$0	$5,062	$5,062	$5,062	$5,062	$5,062	$5,062	$5,103
CURRENT ASSETS										
113	CASH	$603	$3,332	$1,872	$14,347	$414	35,045	$5,720	$6,707	$6,150
114	SPECIAL CASH DEPOSITS	0	0	0	0	0	0	0	0	0
115	WORKING FUNDS	0	0	0	0	0	0	0	0	0
116	TEMPORARY CASH INVESTMENTS	0	0	0	0	22,184	2,001	6,645	6,122	5,295
117.1	NOTES RECEIVABLE FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
117.2	OTHER NOTES RECEIVABLE	0	0	0	0	0	0	0	0	0
118	DUE FROM CUSTOMERS AND AGENTS	511	263	1,900	514	1,954	982	481	418	404
120.1	ACCTS RECEIVABLE FROM AFFILIATED COMPANIES	2,202	0	0	0	0	0	0	0	0
120.2	OTHER ACCOUNTS RECEIVABLE	0	0	0	0	0	5,039	7,130	3,515	2,600
121	INTEREST AND DIVIDENDS RECEIVABLE	0	0	0	0	0	0	0	0	0
122	MATERIAL AND SUPPLIES	0	0	0	0	0	0	0	0	0
123	OTHER CURRENT ASSETS	0	0	0	0	0	0	0	0	0
	TOTAL CURRENT ASSETS	$3,316	$3,595	$3,772	$14,861	$24,552	$13,067	$19,976	$16,762	$14,449
PREPAID ACCOUNTS AND DEFERRED CHARGES										
129	PREPAID RENTS	$0	$0	$0	$0	$0	$0	$0	$0	$0
130	PREPAID TAXES	0	0	0	0	0	0	0	0	0
131	PREPAID INSURANCE	0	0	0	0	0	0	0	0	0
132	PREPAID DIRECTORY EXPENSESS	0	0	0	0	0	0	0	0	0
133	OTHER PREPAYMENTS	0	0	0	0	0	0	0	0	0
135	DISCOUNT ON LONG-TERM DEBT	0	0	0	0	0	0	0	0	0
138	EXTRAORDINARY MAINTENANCE & RETIREMENTS	0	0	0	0	0	0	0	0	0
139	OTHER DEFERRED CHARGES	0	0	0	0	0	0	0	0	0
	TOTAL PREPAID ACCOUNTS & DEFERRED CHARGES	$0	$0	$0	$0	$0	$0	$0	$0	$0
	TOTAL ASSETS AND OTHER DEBITS	$24,439	$26,921	$75,910	$83,773	$114,975	$116,740	$138,695	$139,513	$148,936

TABLE 7.2

BLOCK 2: BALANCE SHEET -- LIABILITIES
JULY 29, 1988

07 HAT ISLAND TELEPHONE - TOTAL COMPANY OPERATIONS
BALANCE SHEET - LIABILITIES AND OTHER CREDITS

		1979	1980	1981	1982	1983	1984	1985	1986	1987
STOCKHOLDERS EQUITY										
150	CAPITAL STOCK (ACTUALLY OUTSTANDING)	$4,000	$4,000	$4,000	$4,000	$4,000	$4,000	$4,000	$4,000	$4,000
152	PREMIUM ON CAPITAL STOCK	0	0	15,400	15,400	2,000	0	0	0	0
179	OTHER CAPITAL	0	0	0	0	0	0	0	0	0
180	RETAINED EARNINGS RESERVED	0	0	0	0	0	0	0	0	0
181	UNAPPROPRIATED RETAINED EARNINGS	4,422	4,065	1,612	4,024	84,957	84,739	101,191	105,549	99,431
134.1	LESS: DISCOUNT ON CAPITAL STOCK	0	0	0	0	0	0	0	0	0
134.2	CAPITAL STOCK EXPENSE	0	0	0	0	0	0	0	0	0
	TOTAL NET STOCKHOLDERS' EQUITY	$8,422	$8,065	$21,012	$23,424	$90,957	$88,739	$105,191	$109,549	$103,431
LONG-TERM DEBT										
154.1	FUNDED DEBT	$0	$0	$0	$0	$0	$0	$0	$0	$0
156	ADVANCES FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
157	OTHER LONG-TERM DEBT	0	0	19,139	17,661	16,004	14,150	12,076	3,161	2,198
	TOTAL LONG-TERM DEBT	$0	$0	$19,139	$17,661	$16,004	$14,150	$12,076	$3,161	$2,198
CURRENT AND ACCRUED LIABILITIES										
158.1	NOTES PAYABLE TO AFFILIATED COMPANIES	$0	$0	$0	$0	$0	$0	$0	$0	$0
158.2	OTHER NOTES PAYABLE	0	0	0	0	0	0	0	0	0
159.1	ACCOUNTS PAYABLE TO AFFILIATED COMPANIES	14,779	18,522	29,310	36,019	7,424	12,503	20,720	25,898	41,491
159.2	OTHER ACCOUNTS PAYABLE	0	0	6,000	6,000	0	787	0	233	1,101
160	CUSTOMERS' DEPOSITS	0	0	0	0	0	0	0	0	0
162	MATURED INTEREST AND DIVIDENDS	0	0	0	0	0	0	0	0	0
163	MATURED LONG-TERM DEBT	0	0	0	0	0	0	0	0	0
164	ADVANCE BILLING AND PAYMENTS	0	0	0	0	0	0	0	0	0
165	OTHER CURRENT LIABILITIES	1,200	0	0	0	0	0	0	0	0
166	TAXES ACCRUED	39	334	449	669	590	561	708	672	715
167	UNMATURED INTEREST, DIV. & RENTS ACCRUED	0	0	0	0	0	0	0	0	0
	TOTAL CURRENT AND ACCRUED LIABILITIES	$16,018	$18,856	$35,759	$42,688	$8,014	$13,851	$21,428	$26,803	$43,307
DEFERRED CREDITS AND OPERATING RESERVES										
168	PREMIUM ON LONG-TERM DEBT	$0	$0	$0	$0	$0	$0	$0	$0	$0
169	INSURANCE RESERVES	0	0	0	0	0	0	0	0	0
170	PROVIDENT RESERVES	0	0	0	0	0	0	0	0	0
174	OTHER DEFERRED CREDITS	0	0	0	0	0	0	0	0	0
176.1	ACCUM.DEFERRED INCOME TAXES-ACC. TAX DEP.	0	0	0	0	0	0	0	0	0
176.2	ACCUM.DEFERRED INCOME TAXES - OTHER	0	0	0	0	0	0	0	0	0
	TOTAL DEFERRED CREDITS & OPERATING RESERVES	$0	$0	$0	$0	$0	$0	$0	$0	$0
	TOTAL LIABILITIES AND OTHER CREDITS	$24,440	$26,921	$75,910	$83,773	$114,975	$116,740	$138,695	$139,513	$148,936

TABLE 7.3

BLOCK3 -- INCOME AND RETAINED EARNINGS
JULY 29, 1988

07 HAT ISLAND TELEPHONE - TOTAL COMPANY OPERATIONS
INCOME AND RETAINED EARNINGS STATEMENT

	1979	1980	1981	1982	1983	1984	1985	1986	1987
NET INCOME									
NET OPERATING INCOME -WASHINGTON	$1,111	($357)	($1,029)	$4,475	$11,898	$35,812	$45,677	$38,437	$54,908
-OTHER STATES	0	0	0	0	0	0	0	0	0
TOTAL NET OPERATING INCOME	$1,111	($357)	($1,029)	$4,475	$11,898	$35,812	$45,677	$38,437	$54,908
INTEREST CHARGED TO CONSTRUCTION	0	0	0	0	0	0	0	0	0
OTHER INCOME	0	0	0	29	952	1,139	573	1,422	1,655
MISCELLANEOUS DEDUCTIONS FROM INCOME	0	0	0	0	0	0	0	0	0
INTEREST ON FUNDED DEBT	0	0	0	0	0	0	0	0	0
OTHER FIXED CHARGES	0	0	1,424	2,092	1,917	1,719	1,499	0	200
EXTRAORDINARY/DELAYED ITEMS BEFORE TAX EFFECT	0	0	0	0	0	0	0	0	0
INCOME TAX EFFECT OF EXTRAORDINARY/DELAYED ITEMS	0	0	0	0	0	0	0	0	0
NET INCOME	$1,111	($357)	($2,453)	$2,412	$10,933	$35,232	$44,751	$39,859	$56,363
RETAINED EARNINGS (ACCOUNT 181)									
BALANCE AT BEGINNING OF YEAR	$8,311	$4,422	$4,065	$1,612	$4,024	$84,957	$84,739	$101,191	$105,549
CREDITS: NET INCOME(AS ABOVE)	$1,111	($357)	($2,453)	$2,412	$10,933	$35,232	$44,751	$39,859	$56,363
OTHER CREDITS	0	0	0	0	70,000	0	0	0	0
TOTAL CREDITS	$1,111	($357)	($2,453)	$2,412	$80,933	$35,232	$44,751	$39,859	$56,363
DEBITS: DIVIDEND APPROPRIATIONS	$5,000	$0	$0	$0	$0	$35,450	$28,299	$35,501	$58,481
OTHER DEBITS	0	0	0	0	0	0	0	0	0
TOTAL DEBITS	$5,000	$0	$0	$0	$0	$35,450	$28,299	$35,501	$58,481
BALANCE AT END OF YEAR	$4,422	$4,065	$1,612	$4,024	$84,957	$84,739	$101,191	$105,549	$103,431

TABLE 7.4

BLOCK4: NET INCOME & PLANT STATS.
JULY 29, 1988

07 HAT ISLAND TELEPHONE - TOTAL COMPANY OPERATIONS
NET OPERATING INCOME AND PLANT STATISTICS

	1979	1980	1981	1982	1983	1984	1985	1986	1987
OPERATING REVENUES									
LOCAL SERVICE	$2,639	$3,121	$5,934	$5,570	$6,351	$6,741	$6,916	$7,459	$8,268
ACCESS REVENUES	0	0	0	0	0	23,207	52,722	43,761	60,627
TOLL SERVICE	4,649	9,080	6,332	18,673	20,458	12,043	193	597	492
MISCELLANEOUS	0	0	0	714	2,054	69	856	1,574	2,356
UNCOLLECTIBLES - DEBIT	0	0	0	924	0	0	0	0	0
TOTAL OPERATING REVENUES	$7,288	$12,201	$12,266	$24,033	$28,863	$42,060	$60,687	$53,391	$71,743
OPERATING REVENUE EXPENSES									
MAINTENANCE	$2,586	$4,658	$2,882	$2,389	$4,947	($5,653)	$2,763	$850	$736
DEPRECIATION AND AMORTIZATION	1,059	1,324	2,118	5,600	2,412	2,951	3,469	3,940	4,280
TRAFFIC	675	845	1,015	1,576	1,476	1,211	1,047	1,390	1,217
COMMERCIAL	0	0	0	0	0	0	0	0	0
ACCESS EXPENSES	0	0	0	0	0	0	0	0	0
GENERAL OFFICE	1,583	5,193	6,391	8,676	6,995	6,033	6,409	7,333	8,597
OTHER OPERATING EXPENSES	164	136	314	428	459	1,507	533	500	977
TOTAL OPERATING REVENUE EXPENSES	$6,067	$12,156	$12,720	$18,669	$16,289	$6,049	$14,221	$14,013	$15,807
INVESTMENT CREDIT - NET	$0	$0	$0	$0	$0	$0	$0	$0	$0
FEDERAL INCOME TAXES	0	0	0	0	0	0	0	0	0
OTHER OPERATING TAXES	110	402	575	889	676	199	789	941	1,028
OPERATING FED.INCOME TAX DEFER - ACC.DEP	0	0	0	0	0	0	0	0	0
OPER.FED. INCOME TAX DEFER - OTHER	0	0	0	0	0	0	0	0	0
INC. CREDITS FROM PRIOR FED. TAXES	0	0	0	0	0	0	0	0	0
TOTAL OPERATING TAXES	$110	$402	$575	$889	$676	$199	$789	$941	$1,028
TOTAL OPERATING REV DEDUCTIONS	$6,177	$12,558	$13,295	$19,558	$16,965	$6,248	$15,010	$14,954	$16,835
NET OPERATING INCOME	$1,111	($357)	($1,029)	$4,475	$11,898	$35,812	$45,677	$38,437	$54,908
100.1 TELEPHONE PLANT IN SERVICE	$32,855	$36,382	$81,474	$75,801	$99,724	$115,925	$134,590	$142,562	$158,537
100.3 PROPERTY HELD FOR FUTURE USE	0	0	0	0	0	0	0	0	0
LESS: 171 & 172 DEP. & AMORT. RESERVES	11,732	13,056	14,398	11,951	14,363	17,314	20,933	24,873	29,153
NET TELEPHONE PLANT END OF YEAR(DEC)	$21,123	$23,326	$67,076	$63,850	$85,361	$98,611	$113,657	$117,689	$129,384
PRIMARY STATISTICS									
MILES OF: WIRE IN CABLE	340	345	379	257	257	257	292	292	389
AERIAL WIRE	0	0	0	0	0	0	0	0	0
UNDERGROUND CONDUIT (SINGLE DUCT)	0	0	0	0	0	0	0	0	0
CARRIER CHANNEL(TELEPHONE)	0	0	0	0	0	0	0	0	0
NUMBER OF POLES	0	0	0	1	1	1	1	1	1
NUMBER OF CENTRAL OFFICES	0	0	0	0	0	0	0	0	0
ACCESS LINES(RESIDENTIAL)	0	0	0	0	0	36	37	41	46
ACCESS LINES(BUSINESS)	0	0	0	0	0	1	1	0	0
ACCESS LINES(PUBLIC)	0	0	0	0	0	1	1	1	1
ACCESS LINES(TOTAL)	0	0	0	0	0	38	39	42	47

TABLE 8.1

BLOCK1: BALANCE SHEET -- ASSETS
AUGUST 15, 1988

08 HOOD CANAL TELEPHONE - TOTAL COMPANY OPERATIONS
BALANCE SHEET - ASSETS AND OTHER DEBITS

		1979	1980	1981	1982	1983	1984	1985	1986	1987
TELEPHONE PLANT										
100.1	TELEPHONE PLANT IN SERVICE	$362,436	$1,481,405	$1,515,570	$1,626,953	$1,681,862	$1,731,284	$1,789,649	$1,831,610	$1,842,867
100.2	TELEPHONE PLANT UNDER CONSTRUCTION	909,611	5,675	37,935	3,893	739	8,939	0	0	0
100.3	PROPERTY HELD FOR FUTURE TELEPHONE USE	0	0	0	0	0	0	0	0	0
100.4	TELEPHONE PLANT ACQUISITION ADJUSTMENT	0	0	0	0	0	0	0	0	0
171	LESS: DEPRECIATION RESERVE	130,474	70,908	125,000	177,853	264,384	353,740	440,192	539,163	621,905
172	AMORTIZATION RESERVE	0	0	0	0	0	0	0	0	0
	TOTAL NET TELEPHONE PLANT	$1,141,573	$1,416,172	$1,428,505	$1,452,993	$1,418,217	$1,386,483	$1,349,457	$1,292,447	$1,220,962
INVESTMENTS AND FUNDS										
101.1	INVESTMENTS IN AFFILIATED COMPANIES	$0	$0	$0	$0	$0	$0	$0	$0	$0
101.2	ADVANCES TO AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
102	OTHER INVESTMENTS	0	0	6,180	6,180	6,180	6,180	6,180	6,180	8,995
103	MISCELLANEOUS PHYSICAL PROPERTY	0	0	11,915	121,513	112,537	117,254	140,268	284,496	329,780
104	SINKING FUNDS(EXCLUDING OWN ISSUES)	0	0	0	0	0	0	0	0	0
106	NONREGULATED INVESTMENT	0	0	0	0	0	0	0	0	0
136	PROVIDENT FUNDS(EXCLUDING OWN ISSUES)	0	0	0	0	0	0	0	0	0
	TOTAL INVESTMENTS AND FUNDS	$0	$0	$18,095	$127,693	$118,717	$123,434	$146,448	$290,676	$338,775
CURRENT ASSETS										
113	CASH	$357,498	$17,385	$3,477	$7,054	$25,741	$71,730	$113,049	$100,171	$138,259
114	SPECIAL CASH DEPOSITS	20,000	50,000	0	0	0	0	0	0	0
115	WORKING FUNDS	0	0	0	0	0	0	0	0	0
116	TEMPORARY CASH INVESTMENTS	0	0	154,780	51,526	43,339	226,771	304,076	459,508	571,082
117.1	NOTES RECEIVABLE FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
117.2	OTHER NOTES RECEIVABLE	0	0	0	0	0	0	0	0	0
118	DUE FROM CUSTOMERS AND AGENTS	16,719	19,519	23,973	24,018	24,020	21,880	24,533	20,504	22,062
120.1	ACCTS RECEIVABLE FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
120.2	OTHER ACCOUNTS RECEIVABLE	0	1,967	4,526	5,041	121,393	50,798	30,857	29,506	21,207
121	INTEREST AND DIVIDENDS RECEIVABLE	0	0	0	0	0	0	0	0	0
122	MATERIAL AND SUPPLIES	4,161	2,233	3,609	1,629	2,636	3,275	3,058	4,036	3,999
123	OTHER CURRENT ASSETS	0	0	0	2,738	5,801	2,642	2,227	892	500
	TOTAL CURRENT ASSETS	$398,378	$91,104	$190,365	$92,006	$222,930	$377,096	$477,800	$614,617	$757,109
PREPAID ACCOUNTS AND DEFERRED CHARGES										
129	PREPAID RENTS	$0	$0	$0	$0	$0	$0	$0	$0	$0
130	PREPAID TAXES	0	0	0	0	0	0	0	0	0
131	PREPAID INSURANCE	4,858	1,703	1,745	2,558	2,882	2,556	3,300	4,297	4,648
132	PREPAID DIRECTORY EXPENSESS	0	0	0	0	0	0	0	0	0
133	OTHER PREPAYMENTS	0	0	0	0	0	0	0	0	0
135	DISCOUNT ON LONG-TERM DEBT	5,853	5,685	5,517	5,349	5,181	5,013	4,845	4,677	4,509
138	EXTRAORDINARY MAINTENANCE & RETIREMENTS	0	0	0	0	0	0	0	0	0
139	OTHER DEFERRED CHARGES	0	0	0	0	0	0	0	0	0
	TOTAL PREPAID ACCOUNTS & DEFERRED CHARGES	$10,711	$7,388	$7,262	$7,907	$8,063	$7,569	$8,145	$8,974	$9,157
	TOTAL ASSETS AND OTHER DEBITS	$1,550,662	$1,514,664	$1,644,227	$1,680,599	$1,767,927	$1,894,582	$1,981,850	$2,206,714	$2,326,003

TABLE 8.2

BLOCK 2: BALANCE SHEET -- LIABILITIES
AUGUST 15, 1988

08 HOOD CANAL TELEPHONE - TOTAL COMPANY OPERATIONS
BALANCE SHEET - LIABILITIES AND OTHER CREDITS

		1979	1980	1981	1982	1983	1984	1985	1986	1987
STOCKHOLDERS EQUITY										
150	CAPITAL STOCK (ACTUALLY OUTSTANDING)	$50,000	$50,000	$50,000	$50,000	$50,000	$50,000	$50,000	$50,000	$50,000
152	PREMIUM ON CAPITAL STOCK	0	0	0	0	0	0	0	0	0
179	OTHER CAPITAL	839	839	839	839	839	839	839	839	839
180	RETAINED EARNINGS RESERVED	0	0	0	0	0	0	0	0	0
181	UNAPPROPRIATED RETAINED EARNINGS	158,947	199,574	270,815	307,609	379,462	483,893	583,381	771,894	881,367
134.1	LESS: DISCOUNT ON CAPITAL STOCK	0	0	0	0	0	0	0	0	0
134.2	CAPITAL STOCK EXPENSE	0	0	0	0	0	0	0	0	0
	TOTAL NET STOCKHOLDERS' EQUITY	$209,786	$250,413	$321,654	$358,448	$430,301	$534,732	$634,220	$822,733	$932,206
LONG-TERM DEBT										
154.1	FUNDED DEBT	$855,000	$1,172,000	$1,188,113	$1,214,867	$1,197,971	$1,180,221	$1,161,548	$1,141,930	$1,125,242
156	ADVANCES FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
157	OTHER LONG-TERM DEBT	0	0	0	0	0	0	0	0	0
	TOTAL LONG-TERM DEBT	$855,000	$1,172,000	$1,188,113	$1,214,867	$1,197,971	$1,180,221	$1,161,548	$1,141,930	$1,125,242
CURRENT AND ACCRUED LIABILITIES										
158.1	NOTES PAYABLE TO AFFILIATED COMPANIES	$0	$0	$0	$0	$0	$0	$0	$0	$0
158.2	OTHER NOTES PAYABLE	0	0	0	0	0	0	0	0	0
159.1	ACCOUNTS PAYABLE TO AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
159.2	OTHER ACCOUNTS PAYABLE	471,570	56,029	61,477	17,568	22,987	31,575	15,844	27,426	57,297
160	CUSTOMERS' DEPOSITS	175	865	1,875	2,515	3,578	3,393	3,618	2,370	1,853
162	MATURED INTEREST AND DIVIDENDS	0	0	0	0	0	0	0	0	0
163	MATURED LONG-TERM DEBT	0	0	0	0	0	0	0	0	0
164	ADVANCE BILLING AND PAYMENTS	0	0	0	0	0	0	0	0	0
165	OTHER CURRENT LIABILITIES	4,600	9,026	4,703	23,612	29,188	31,845	23,594	29,380	32,041
166	TAXES ACCRUED	1,202	4,884	11,118	1,294	1,546	404	1,567	20,237	8,435
167	UNMATURED INTEREST, DIV. & RENTS ACCRUED	0	0	137	212	180	80	10,214	10,260	225
	TOTAL CURRENT AND ACCRUED LIABILITIES	$477,547	$70,804	$79,310	$45,201	$57,479	$67,297	$54,837	$89,673	$99,851
DEFERRED CREDITS AND OPERATING RESERVES										
168	PREMIUM ON LONG-TERM DEBT	$0	$0	$0	$0	$0	$0	$0	$0	$0
169	INSURANCE RESERVES	0	0	0	0	0	0	0	0	0
170	PROVIDENT RESERVES	0	0	0	0	0	0	0	0	0
174	OTHER DEFERRED CREDITS	5,159	18,792	47,257	55,841	67,212	83,671	90,722	100,790	92,872
176.1	ACCUM.DEFERRED INCOME TAXES-ACC. TAX DEP.	3,170	2,655	7,893	6,242	14,964	28,661	40,523	51,588	75,832
176.2	ACCUM.DEFERRED INCOME TAXES - OTHER	0	0	0	0	0	0	0	0	0
	TOTAL DEFERRED CREDITS & OPERATING RESERVES	$8,329	$21,447	$55,150	$62,083	$82,176	$112,332	$131,245	$152,378	$168,704
	TOTAL LIABILITIES AND OTHER CREDITS	$1,550,662	$1,514,664	$1,644,227	$1,680,599	$1,767,927	$1,894,582	$1,981,850	$2,206,714	$2,326,003

TABLE 8.3

BLOCK 3:
AUGUST 15, 1988

08 HOOD CANAL TELEPHONE - TOTAL COMPANY OPERATIONS
INCOME AND RETAINED EARNINGS STATEMENT

NET INCOME	1979	1980	1981	1982	1983	1984	1985	1986	1987
NET OPERATING INCOME -WASHINGTON	$84,527	$94,471	$110,788	$102,253	$131,607	$144,266	$114,785	$143,330	$138,312
-OTHER STATES	0	0	0	0	0	0	0	0	0
TOTAL NET OPERATING INCOME	$84,527	$94,471	$110,788	$102,253	$131,607	$144,266	$114,785	$143,330	$138,312
INTEREST CHARGED TO CONSTRUCTION	0	0	0	0	0	0	0	0	0
OTHER INCOME	188	2,379	20,307	(3,554)	1,767	24,965	50,286	105,677	58,846
MISCELLANEOUS DEDUCTIONS FROM INCOME	0	0	166	683	469	4,706	(3,702)	(7,810)	15,172
INTEREST ON FUNDED DEBT	9,621	55,145	59,154	60,696	60,411	59,557	58,634	57,689	56,749
OTHER FIXED CHARGES	2,396	1,078	534	430	594	537	651	615	1,841
EXTRAORDINARY/DELAYED ITEMS BEFORE TAX EFFECT	0	0	0	0	0	0	0	0	(4,425)
INCOME TAX EFFECT OF EXTRAORDINARY/DELAYED ITEMS	0	0	0	0	0	0	0	0	0
NET INCOME	$72,698	$40,627	$71,241	$36,890	$71,900	$104,431	$109,488	$198,513	$118,971
RETAINED EARNINGS (ACCOUNT 181)									
BALANCE AT BEGINNING OF YEAR	$86,265	$158,947	$199,574	$270,815	$307,609	$379,462	$483,893	$583,381	$771,894
CREDITS: NET INCOME(AS ABOVE)	$72,698	$40,627	$71,241	$36,890	$71,900	$104,431	$109,488	$198,513	$118,971
OTHER CREDITS	0	0	0	0	0	0	0	0	0
TOTAL CREDITS	$72,698	$40,627	$71,241	$36,890	$71,900	$104,431	$109,488	$198,513	$118,971
DEBITS: DIVIDEND APPROPRIATIONS	$0	$0	$0	$0	$0	$0	$10,000	$10,000	$9,498
OTHER DEBITS	16	0	0	96	47	0	0	0	0
TOTAL DEBITS	$16	$0	$0	$96	$47	$0	$10,000	$10,000	$9,498
BALANCE AT END OF YEAR	$158,947	$199,574	$270,815	$307,609	$379,462	$483,893	$583,381	$771,894	$881,367

TABLE 8.4

BLOCK 4:
AUGUST 15, 1988

08 HOOD CANAL TELEPHONE - TOTAL COMPANY OPERATIONS
NET OPERATING INCOME AND PLANT STATISTICS

	1979	1980	1981	1982	1983	1984	1985	1986	1987
OPERATING REVENUES									
LOCAL SERVICE	$52,488	$58,495	$72,504	$76,472	$93,402	$105,283	$94,476	$95,015	$101,683
ACCESS REVENUES	0	0	0	0	0	0	385,334	531,757	461,953
TOLL SERVICE	135,054	293,959	415,314	421,263	497,383	525,624	124,429	42,909	3,245
MISCELLANEOUS	0	0	3,999	6,469	9,208	2,095	33,723	(2,166)	80,940
UNCOLLECTIBLES - DEBIT	1,875	3,062	2,011	2,644	1,500	1,500	487	325	1,150
TOTAL OPERATING REVENUES	$185,667	$349,392	$489,806	$501,560	$598,493	$631,502	$637,475	$667,190	$646,671
OPERATING REVENUE EXPENSES									
MAINTENANCE	$19,925	$50,530	$52,154	$80,923	$92,989	$93,195	$110,583	$88,462	$103,284
DEPRECIATION AND AMORTIZATION	17,280	64,427	97,081	84,183	84,950	86,957	89,538	90,707	93,975
TRAFFIC	917	676	1,316	4,283	1,777	2,559	1,947	(211)	6,388
COMMERCIAL	8,793	15,011	14,016	23,134	27,757	21,733	22,837	21,818	21,552
ACCESS EXPENSES	0	0	0	0	0	0	0	0	0
GENERAL OFFICE	30,667	59,480	107,162	116,757	142,424	171,955	177,389	192,915	169,649
OTHER OPERATING EXPENSES	12,187	31,589	37,302	48,735	65,097	57,577	67,097	48,046	52,431
TOTAL OPERATING REVENUE EXPENSES	$89,769	$221,713	$309,031	$358,015	$414,994	$433,976	$469,391	$441,737	$447,279
INVESTMENT CREDIT - NET	$5,174	$14,612	$31,334	$8,584	$11,371	$15,388	$8,122	$10,068	($7,918)
FEDERAL INCOME TAXES	0	3,517	933	491	652	459	239	27,498	35,160
OTHER OPERATING TAXES	9,961	15,593	32,483	33,868	31,147	26,830	29,962	33,492	30,654
OPERATING FED.INCOME TAX DEFER - ACC.DEP	(3,764)	(514)	5,237	(1,651)	8,722	10,583	14,976	11,065	3,184
OPER.FED. INCOME TAX DEFER - OTHER	0	0	0	0	0	0	0	0	0
INC. CREDITS FROM PRIOR FED. TAXES	0	0	0	0	0	0	0	0	0
TOTAL OPERATING TAXES	$11,371	$33,208	$69,987	$41,292	$51,892	$53,260	$53,299	$82,123	$61,080
TOTAL OPERATING REV DEDUCTIONS	$101,140	$254,921	$379,018	$399,307	$466,886	$487,236	$522,690	$523,860	$508,359
NET OPERATING INCOME	$84,527	$94,471	$110,788	$102,253	$131,607	$144,266	$114,785	$143,330	$138,312
100.1 TELEPHONE PLANT IN SERVICE	$362,436	$1,481,405	$1,515,570	$1,626,953	$1,681,862	$1,731,284	$1,789,649	$1,831,670	$1,842,867
100.3 PROPERTY HELD FOR FUTURE USE	0	0	0	0	0	0	0	0	0
LESS: 171 & 172 DEP. & AMORT. RESERVES	130,474	70,908	125,000	177,853	264,384	353,740	440,192	539,163	621,905
NET TELEPHONE PLANT END OF YEAR(DEC)	$231,962	$1,410,497	$1,390,570	$1,449,100	$1,417,478	$1,377,544	$1,349,457	$1,292,447	$1,220,962
PRIMARY STATISTICS									
MILES OF: WIRE IN CABLE	0	0	3,826	3,876	3,877	3,877	3,885	3,891	3,899
AERIAL WIRE	0	0	0	0	0	0	0	0	0
UNDERGROUND CONDUIT (SINGLE DUCT)	0	0	0	0	0	0	0	0	0
CARRIER CHANNEL(TELEPHONE)	166	220	348	348	348	348	348	348	348
NUMBER OF POLES	395	21	21	21	21	21	21	21	21
NUMBER OF CENTRAL OFFICES	1	1	1	1	1	1	1	1	1
ACCESS LINES(RESIDENTIAL)	0	0	0	0	0	506	497	559	579
ACCESS LINES(BUSINESS)	0	0	0	0	0	54	85	65	57
ACCESS LINES(PUBLIC)	0	0	0	0	0	10	9	7	10
ACCESS LINES(TOTAL)	0	0	0	0	0	570	591	631	646

TABLE 9.1

BLOCK1: BALANCE SHEET--ASSETS(TOTAL COMPANY)
AUGUST 9, 1988

09 INLAND (INCLUDING PRESCOTT) TELEPHONE - TOTAL COMPANY OPERATIONS
BALANCE SHEET - ASSETS AND OTHER DEBITS

		1979	1980	1981	1982	1983	1984	1985	1986	1987
TELEPHONE PLANT										
100.1	TELEPHONE PLANT IN SERVICE	$2,142,991	$2,754,591	$3,284,996	$3,434,582	$3,489,404	$4,082,920	$4,513,149	$5,089,409	$5,257,614
100.2	TELEPHONE PLANT UNDER CONSTRUCTION	186,224	29,205	0	99,024	371,711	132,318	59,583	30,948	106,034
100.3	PROPERTY HELD FOR FUTURE TELEPHONE USE	0	0	151,058	0	0	0	0	0	0
100.4	TELEPHONE PLANT ACQUISITION ADJUSTMENT	0	0	0	0	0	0	0	0	0
171	LESS: DEPRECIATION RESERVE	706,941	813,341	810,771	954,975	1,113,070	1,172,154	1,365,947	1,339,404	1,475,800
172	AMORTIZATION RESERVE	0	0	0	0	0	0	0	0	0
	TOTAL NET TELEPHONE PLANT	$1,622,274	$1,970,455	$2,625,283	$2,578,631	$2,748,045	$3,043,084	$3,206,785	$3,780,953	$3,887,848
INVESTMENTS AND FUNDS										
101.1	INVESTMENTS IN AFFILIATED COMPANIES	$0	$0	$0	$0	$0	$0	$0	$0	$0
101.2	ADVANCES TO AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
102	OTHER INVESTMENTS	17,450	19,068	25,406	25,406	25,406	28,557	28,636	31,516	37,603
103	MISCELLANEOUS PHYSICAL PROPERTY	0	0	0	0	0	0	0	75,905	76,512
104	SINKING FUNDS(EXCLUDING OWN ISSUES)	0	0	0	0	0	0	0	0	0
106	NONREGULATED INVESTMENT	0	0	0	0	0	0	0	0	0
136	PROVIDENT FUNDS(EXCLUDING OWN ISSUES)	0	0	0	0	0	0	0	0	0
	TOTAL INVESTMENTS AND FUNDS	$17,450	$19,068	$25,406	$25,406	$25,406	$28,557	$28,636	$107,421	$114,115
CURRENT ASSETS										
113	CASH	$11,017	$83,003	$123,894	$148,305	$208,270	$206,578	$131,941	$524,676	$806,742
114	SPECIAL CASH DEPOSITS	0	0	0	0	0	0	0	0	0
115	WORKING FUNDS	0	0	0	0	0	0	0	0	0
116	TEMPORARY CASH INVESTMENTS	0	0	0	0	0	0	0	0	0
117.1	NOTES RECEIVABLE FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
117.2	OTHER NOTES RECEIVABLE	0	0	0	30,017	30,315	0	0	0	0
118	DUE FROM CUSTOMERS AND AGENTS	47,155	56,116	58,913	60,606	41,059	75,947	91,400	87,627	83,733
120.1	ACCTS RECEIVABLE FROM AFFILIATED COMPANIES	0	7,526	9,294	66,082	137,670	0	0	54,474	205,715
120.2	OTHER ACCOUNTS RECEIVABLE	126,799	121,422	66,045	182,053	77,347	231,230	194,743	88,512	45,646
121	INTEREST AND DIVIDENDS RECEIVABLE	0	0	0	0	0	0	0	0	0
122	MATERIAL AND SUPPLIES	142,354	84,024	72,742	65,574	158,055	225,838	149,305	81,763	55,833
123	OTHER CURRENT ASSETS	29,449	32,262	35,214	38,133	41,605	45,050	48,649	52,637	59,206
	TOTAL CURRENT ASSETS	$356,774	$384,353	$366,102	$590,770	$694,321	$784,643	$616,038	$889,689	$1,256,875
PREPAID ACCOUNTS AND DEFERRED CHARGES										
129	PREPAID RENTS	$447	$865	$825	$799	$759	$719	$776	$600	$875
130	PREPAID TAXES	0	2,800	500	0	2,000	2,000	0	0	630
131	PREPAID INSURANCE	63	63	63	63	62	62	744	8,695	0
132	PREPAID DIRECTORY EXPENSESS	0	0	0	0	0	0	0	0	0
133	OTHER PREPAYMENTS	2,841	38,376	89,543	48,257	48,311	95,922	3,474	0	0
135	DISCOUNT ON LONG-TERM DEBT	5,072	4,746	4,419	4,092	3,766	3,439	5,729	7,412	6,784
138	EXTRAORDINARY MAINTENANCE & RETIREMENTS	0	0	0	455	2,693	0	0	0	0
139	OTHER DEFERRED CHARGES	7,524	5,082	1,486	1,486	2,956	2,956	0	0	0
	TOTAL PREPAID ACCOUNTS & DEFERRED CHARGES	$15,947	$51,932	$96,836	$55,152	$60,547	$105,098	$10,723	$16,707	$8,289
	TOTAL ASSETS AND OTHER DEBITS	$2,012,445	$2,425,808	$3,113,627	$3,249,959	$3,528,319	$3,961,382	$3,862,182	$4,794,770	$5,267,127

TABLE 9.2

BLOCK 2: BALANCE SHEET--LIABILITIES(TOT. COMPANY)
AUGUST 9, 1988

09 INLAND (INCLUDING PRESCOTT) TELEPHONE - TOTAL COMPANY OPERATIONS
BALANCE SHEET - LIABILITIES AND OTHER CREDITS

		1979	1980	1981	1982	1983	1984	1985	1986	1987
STOCKHOLDERS EQUITY										
150	CAPITAL STOCK (ACTUALLY OUTSTANDING)	$93,150	$93,150	$93,150	$93,150	$93,150	$93,150	$93,150	$93,150	$93,150
152	PREMIUM ON CAPITAL STOCK	7,175	7,175	7,175	7,175	7,175	7,175	7,175	7,175	7,175
179	OTHER CAPITAL	0	0	0	0	0	0	0	0	0
180	RETAINED EARNINGS RESERVED	0	0	0	0	0	0	0	0	0
181	UNAPPROPRIATED RETAINED EARNINGS	548,605	643,100	742,557	861,561	875,308	922,168	1,087,505	1,395,999	1,631,458
134.1	LESS: DISCOUNT ON CAPITAL STOCK	0	0	0	0	0	0	0	0	0
134.2	CAPITAL STOCK EXPENSE	250	250	250	250	250	250	250	250	250
	TOTAL NET STOCKHOLDERS' EQUITY	$648,680	$743,175	$842,632	$961,636	$975,383	$1,022,243	$1,187,580	$1,496,074	$1,731,533
LONG-TERM DEBT										
154.1	FUNDED DEBT	$1,153,987	$1,448,076	$1,642,701	$1,902,256	$2,019,756	$2,250,921	$2,270,641	$2,467,577	$2,678,397
156	ADVANCES FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
157	OTHER LONG-TERM DEBT	0	0	0	0	0	0	0	0	0
	TOTAL LONG-TERM DEBT	$1,153,987	$1,448,076	$1,642,701	$1,902,256	$2,019,756	$2,250,921	$2,270,641	$2,467,577	$2,678,397
CURRENT AND ACCRUED LIABILITIES										
158.1	NOTES PAYABLE TO AFFILIATED COMPANIES	$0	$0	$0	$0	$0	$0	$0	$0	$0
158.2	OTHER NOTES PAYABLE	40,000	0	0	0	0	0	0	0	0
159.1	ACCOUNTS PAYABLE TO AFFILIATED COMPANIES	11,428	14,063	14,897	16,897	18,247	0	0	0	0
159.2	OTHER ACCOUNTS PAYABLE	15,026	42,439	279,905	28,624	159,539	343,968	54,054	174,740	49,762
160	CUSTOMERS' DEPOSITS	1,795	3,103	3,030	3,539	2,734	4,000	4,867	5,225	7,555
162	MATURED INTEREST AND DIVIDENDS	0	0	0	0	0	0	0	0	0
163	MATURED LONG-TERM DEBT	0	0	0	0	0	0	0	0	0
164	ADVANCE BILLING AND PAYMENTS	0	0	0	0	0	0	0	0	0
165	OTHER CURRENT LIABILITIES	28,507	36,536	108,303	82,403	93,317	41,070	90,912	194,013	201,589
166	TAXES ACCRUED	42,118	4,471	5,875	8,897	9,933	7,959	14,110	41,861	35,454
167	UNMATURED INTEREST, DIV. & RENTS ACCRUED	0	0	0	5,047	5,030	4,600	4,600	4,500	4,500
	TOTAL CURRENT AND ACCRUED LIABILITIES	$138,874	$100,612	$412,010	$145,407	$288,800	$401,597	$168,543	$420,339	$298,860
DEFERRED CREDITS AND OPERATING RESERVES										
168	PREMIUM ON LONG-TERM DEBT	$0	$0	$0	$0	$0	$0	$0	$0	$0
169	INSURANCE RESERVES	0	0	0	0	0	0	0	0	0
170	PROVIDENT RESERVES	0	0	0	0	0	0	0	0	0
174	OTHER DEFERRED CREDITS	54,562	106,814	169,782	171,905	163,629	198,739	105,339	203,260	189,846
176.1	ACCUM.DEFERRED INCOME TAXES-ACC. TAX DEP.	15,995	26,666	45,704	67,376	79,173	85,048	126,015	202,380	360,054
176.2	ACCUM.DEFERRED INCOME TAXES - OTHER	343	462	799	1,379	1,578	2,834	4,064	5,140	8,437
	TOTAL DEFERRED CREDITS & OPERATING RESERVES	$70,900	$133,942	$216,285	$240,660	$244,380	$286,621	$235,418	$410,780	$558,337
	TOTAL LIABILITIES AND OTHER CREDITS	$2,012,441	$2,425,805	$3,113,628	$3,249,959	$3,528,319	$3,961,382	$3,862,182	$4,794,770	$5,267,127

TABLE 9.3

BLOCK3--INCOME AND RETAINED EARNINGS(TOT.COMPANY)
AUGUST 9, 1988

09 INLAND (INCLUDING PRESCOTT) TELEPHONE -- TOTAL COMPANY OPERATIONS
INCOME AND RETAINED EARNINGS STATEMENT

	1979	1980	1981	1982	1983	1984	1985	1986	1987
NET INCOME									
NET OPERATING INCOME -WASHINGTON	$126,551	$89,230	$132,218	$112,436	$50,378	$93,655	$178,810	$348,150	$260,813
-OTHER STATES	21,262	28,761	5,778	45,019	23,948	25,642	74,220	56,683	63,184
TOTAL NET OPERATING INCOME	$147,813	$117,991	$137,996	$157,455	$74,326	$119,297	$253,030	$404,833	$323,997
INTEREST CHARGED TO CONSTRUCTION	0	0	0	0	0	0	0		
OTHER INCOME	8,376	4,944	1,451	10,051	13,441	4,574	1,153	(9,578)	1,251
MISCELLANEOUS DEDUCTIONS FROM INCOME	(2,162)	(19,649)	(14,726)	(21,918)	2,990	1,105	1,478	1,590	914
INTEREST ON FUNDED DEBT	20,159	44,680	52,771	68,340	68,887	73,878	75,874	83,009	86,518
OTHER FIXED CHARGES	3,915	3,411	1,944	2,080	2,143	2,029	11,494	2,162	2,357
EXTRAORDINARY/DELAYED ITEMS BEFORE TAX EFFECT	0	0	0	0	0	0	0	0	0
INCOME TAX EFFECT OF EXTRAORDINARY/DELAYED ITEMS	0	0	0	0	0	0	0	0	0
NET INCOME	$134,277	$94,493	$99,458	$119,004	$13,747	$46,859	$165,337	$308,494	$235,459
RETAINED EARNINGS (ACCOUNT 181)									
BALANCE AT BEGINNING OF YEAR	$414,328	$548,605	$643,098	$742,556	$861,561	$875,309	$922,168	$1,087,505	$1,395,999
CREDITS: NET INCOME(AS ABOVE)	$134,277	$94,493	$99,458	$119,004	$13,747	$46,859	$165,337	$308,494	$235,459
OTHER CREDITS	0	0	0	0	0	0	0	0	0
TOTAL CREDITS	$134,277	$94,493	$99,458	$119,004	$13,747	$46,859	$165,337	$308,494	$235,459
DEBITS: DIVIDEND APPROPRIATIONS	$0	$0	$0	$0	$0	$0	$0	$0	$0
OTHER DEBITS	0	0	0	0	0	0	0	0	0
TOTAL DEBITS	$0	$0	$0	$0	$0	$0	$0	$0	$0
BALANCE AT END OF YEAR	$548,605	$643,098	$742,556	$861,560	$875,308	$922,168	$1,087,505	$1,395,999	$1,631,458

TABLE 9.4

BLOCK4: NET INCOME & PLANT STATS. 09 INLAND (INCLUDING PRESCOTT) TELEPHONE - WASHINGTON STATE OPERATIONS ONLY
STATE NET OPERATING INCOME AND PLANT STATISTICS
AUGUST 6, 1987

	1979	1980	1981	1982	1983	1984	1985	1986	1987
OPERATING REVENUES									
LOCAL SERVICE	$186,169	$191,471	$192,595	$212,858	$282,312	$292,278	$335,594	$322,064	$368,248
ACCESS REVENUES	0	0	0	0	0	637,833	704,718	1,052,022	968,299
TOLL SERVICE	512,149	523,804	610,895	709,148	653,209	127,568	(14,121)	(2,686)	30,671
MISCELLANEOUS	16,068	45,692	44,353	28,244	19,939	51,199	74,162	188,756	160,882
UNCOLLECTIBLES - DEBIT	3,558	3,895	7,017	8,293	4,481	6,338	4,552	(891)	4,000
TOTAL OPERATING REVENUES	$710,828	$757,072	$840,826	$941,957	$950,979	$1,102,540	$1,095,801	$1,561,047	$1,524,100
OPERATING REVENUE EXPENSES									
MAINTENANCE	$104,857	$133,559	$137,074	$188,679	$250,468	$246,992	$197,724	$241,195	$223,983
DEPRECIATION AND AMORTIZATION	65,091	84,334	103,607	122,017	130,399	140,095	150,494	162,841	169,455
TRAFFIC	2,319	3,891	5,003	9,370	4,267	6,618	2,576	819	45
COMMERCIAL	49,649	51,584	59,819	58,179	54,870	64,756	59,502	74,153	81,080
ACCESS EXPENSES	0	0	0	0	0	0	0	0	0
GENERAL OFFICE	203,521	247,726	252,533	275,347	327,095	419,937	318,094	362,781	405,984
OTHER OPERATING EXPENSES	40,891	48,939	55,832	58,118	67,026	78,413	86,172	122,376	129,542
TOTAL OPERATING REVENUE EXPENSES	$466,328	$570,033	$613,868	$711,710	$834,125	$956,811	$814,562	$964,165	$1,010,089
INVESTMENT CREDIT - NET	$14,487	$49,063	$42,638	($1,510)	($7,079)	($15,945)	$2,591	$94,905	($11,208)
FEDERAL INCOME TAXES	42,919	(15,825)	(23,574)	40,920	(3,067)	(1,658)	0	12,454	31,931
OTHER OPERATING TAXES	55,325	55,267	62,211	64,315	67,172	65,868	62,277	78,982	88,463
OPERATING FED.INCOME TAX DEFER - ACC.DEP	5,202	9,293	13,437	14,051	9,437	3,809	37,561	62,391	144,012
OPER.FED. INCOME TAX DEFER - OTHER	13	11	28	35	13	0	0	0	0
INC. CREDITS FROM PRIOR FED. TAXES	0	0	0	0	0	0	0	0	0
TOTAL OPERATING TAXES	$117,946	$97,809	$94,740	$117,811	$66,476	$52,074	$102,429	$248,732	$253,198
TOTAL OPERATING REV DEDUCTIONS	$584,274	$667,842	$708,608	$829,521	$900,601	$1,008,885	$916,991	$1,212,897	$1,263,287
NET OPERATING INCOME	$126,554	$89,230	$132,218	$112,436	$50,378	$93,655	$178,810	$348,150	$260,813
100.1 TELEPHONE PLANT IN SERVICE	$1,816,761	$2,387,993	$2,686,290	$2,776,288	$2,847,838	$3,393,749	$3,796,870	$4,168,589	$4,264,734
100.3 PROPERTY HELD FOR FUTURE USE	0	0	123,682	0	0	0	0	0	0
LESS: 171 & 172 DEP. & AMORT. RESERVES	609,912	702,447	683,621	800,158	952,633	1,007,505	1,164,684	1,105,295	1,206,183
NET TELEPHONE PLANT END OF YEAR(DEC)	$1,206,849	$1,685,546	$2,126,351	$1,976,130	$1,895,205	$2,386,244	$2,632,186	$3,063,294	$3,058,551
PRIMARY STATISTICS									
MILES OF: WIRE IN CABLE	9,866	12,529	13,654	14,510	17,221	19,422	21,775	22,767	27,535
AERIAL WIRE	0	0	0	0	1	1	1	1	1
UNDERGROUND CONDUIT (SINGLE DUCT)	0	0	0	0	0	2	2	2	2
CARRIER CHANNEL(TELEPHONE)	794	820	820	820	236	0	0	0	0
NUMBER OF POLES	378	392	391	391	391	391	391	391	274
NUMBER OF CENTRAL OFFICES	3	3	3	3	3	4	4	4	4
ACCESS LINES(RESIDENTIAL)	0	0	0	0	0	1,204	1,221	1,123	1,186
ACCESS LINES(BUSINESS)	0	0	0	0	0	148	102	154	169
ACCESS LINES(PUBLIC)	0	0	0	0	0	6	9	9	9
ACCESS LINES(TOTAL)	0	0	0	0	0	1,358	1,332	1,286	1,364

TABLE 10.1

BLOCK1: BALANCE SHEET -- ASSETS
AUGUST 15, 1988

10 INTER-ISLAND TELEPHONE - TOTAL COMPANY OPERATIONS
BALANCE SHEET - ASSETS AND OTHER DEBITS

		1979	1980	1981	1982	1983	1984	1985	1986	1987
TELEPHONE PLANT										
100.1	TELEPHONE PLANT IN SERVICE	$3,634,777	$4,905,602	$6,021,773	$6,592,202	$8,285,897	$8,929,065	$9,308,737	$10,391,448	$13,401,725
100.2	TELEPHONE PLANT UNDER CONSTRUCTION	550,441	495,698	74,378	421,953	702,852	667,667	1,574,575	946,980	218,334
100.3	PROPERTY HELD FOR FUTURE TELEPHONE USE	0	0	0	0	0	0	0	0	0
100.4	TELEPHONE PLANT ACQUISITION ADJUSTMENT	0	0	0	0	0	0	0	0	0
171	LESS: DEPRECIATION RESERVE	891,777	1,115,009	1,257,410	1,689,680	2,433,004	2,868,265	3,303,257	3,013,164	3,406,236
172	AMORTIZATION RESERVE	0	0	0	0	0	0	0	0	0
	TOTAL NET TELEPHONE PLANT	$3,293,441	$4,286,291	$4,838,741	$5,324,475	$6,555,745	$6,728,467	$7,580,055	$8,325,264	$10,213,823
INVESTMENTS AND FUNDS										
101.1	INVESTMENTS IN AFFILIATED COMPANIES	$0	$0	$0	$0	$0	$0	$0	$0	$0
101.2	ADVANCES TO AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
102	OTHER INVESTMENTS	205,825	210,799	189,130	188,100	188,100	188,100	213,611	188,100	188,100
103	MISCELLANEOUS PHYSICAL PROPERTY	0	0	0	0	0	60	0	0	0
104	SINKING FUNDS(EXCLUDING OWN ISSUES)	0	0	0	0	0	0	0	0	0
106	NONREGULATED INVESTMENT	0	0	0	0	0	0	0	720,648	72,060
136	PROVIDENT FUNDS(EXCLUDING OWN ISSUES)	0	0	0	0	0	0	0	0	0
	TOTAL INVESTMENTS AND FUNDS	$205,825	$210,799	$189,130	$188,100	$188,100	$188,160	$213,611	$908,748	$260,160
CURRENT ASSETS										
113	CASH	$356,065	$363,528	$150,635	$23,973	$244,604	$15,083	$16,241	$261,657	$69,458
114	SPECIAL CASH DEPOSITS	0	0	0	0	0	0	0	0	0
115	WORKING FUNDS	0	300	300	300	250	125	0	0	0
116	TEMPORARY CASH INVESTMENTS	0	133,290	659,000	0	0	0	0	0	0
117.1	NOTES RECEIVABLE FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
117.2	OTHER NOTES RECEIVABLE	0	0	0	0	0	0	0	0	0
118	DUE FROM CUSTOMERS AND AGENTS	143,407	191,061	257,245	208,293	304,982	336,964	412,676	556,493	984,488
120.1	ACCTS RECEIVABLE FROM AFFILIATED COMPANIES	0	0	0	193,361	440,234	1,381,790	1,576,011	190,610	0
120.2	OTHER ACCOUNTS RECEIVABLE	7,310	7,875	5,460	264,425	276,449	3,477	6,136	30,743	6,585
121	INTEREST AND DIVIDENDS RECEIVABLE	0	0	0	0	0	0	0	0	0
122	MATERIAL AND SUPPLIES	48,095	55,342	57,018	57,289	94,862	117,930	203,970	244,450	232,713
123	OTHER CURRENT ASSETS	0	0	0	0	0	0	0	0	0
	TOTAL CURRENT ASSETS	$554,877	$751,396	$1,129,658	$747,641	$1,361,381	$1,855,369	$2,215,034	$1,283,953	$1,293,244
PREPAID ACCOUNTS AND DEFERRED CHARGES										
129	PREPAID RENTS	$0	$0	$0	$0	$0	$0	$0	$0	$0
130	PREPAID TAXES	79,882	0	0	0	0	0	0	0	0
131	PREPAID INSURANCE	7,830	6,442	6,641	728	0	0	138	1,885	895
132	PREPAID DIRECTORY EXPENSESS	0	0	0	0	25	566	0	0	0
133	OTHER PREPAYMENTS	677	822	1,889	0	0	0	0	0	225
135	DISCOUNT ON LONG-TERM DEBT	6,135	6,135	6,135	6,135	5,939	5,742	5,546	8,951	5,030
138	EXTRAORDINARY MAINTENANCE & RETIREMENTS	0	0	0	0	0	0	0	0	0
139	OTHER DEFERRED CHARGES	89,745	67,540	0	397	0	0	0	0	0
	TOTAL PREPAID ACCOUNTS & DEFERRED CHARGES	$184,269	$80,939	$14,665	$7,260	$5,964	$6,308	$5,684	$10,836	$6,150
	TOTAL ASSETS AND OTHER DEBITS	$4,238,412	$5,329,425	$6,172,194	$6,267,476	$8,111,190	$8,778,304	$10,014,384	$10,528,801	$11,773,377

TABLE 10.2

BLOCK 2: BALANCE SHEET -- LIABILITIES
AUGUST 15, 1988

10 INTER-ISLAND TELEPHONE - TOTAL COMPANY OPERATIONS
BALANCE SHEET - LIABILITIES AND OTHER CREDITS

		1979	1980	1981	1982	1983	1984	1985	1986	1987
STOCKHOLDERS EQUITY										
150	CAPITAL STOCK (ACTUALLY OUTSTANDING)	$50,000	$50,000	$50,000	$48,970	$48,970	$48,970	$48,970	$48,970	$48,970
152	PREMIUM ON CAPITAL STOCK	0	0	0	0	0	0	0	0	0
179	OTHER CAPITAL	53,763	53,763	0	0	1,254,490	1,254,490	1,254,490	1,254,490	1,254,490
180	RETAINED EARNINGS RESERVED	0	0	0	0	0	0	0	0	0
181	UNAPPROPRIATED RETAINED EARNINGS	1,014,494	1,310,487	1,745,628	1,794,661	1,958,343	2,246,643	2,442,110	2,703,018	3,106,430
134.1	LESS: DISCOUNT ON CAPITAL STOCK	0	0	0	0	0	0	0	0	0
134.2	CAPITAL STOCK EXPENSE	0	0	0	0	0	0	0	0	0
	TOTAL NET STOCKHOLDERS' EQUITY	$1,118,257	$1,414,250	$1,795,628	$1,843,631	$3,261,803	$3,550,103	$3,745,570	$4,006,478	$4,409,890
LONG-TERM DEBT										
154.1	FUNDED DEBT	$2,671,072	$3,318,472	$3,584,593	$3,559,286	$3,746,743	$3,875,528	$3,833,963	$4,373,589	$4,814,964
156	ADVANCES FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
157	OTHER LONG-TERM DEBT	0	0	0	0	0	0	0	0	0
	TOTAL LONG-TERM DEBT	$2,671,072	$3,318,472	$3,584,593	$3,559,286	$3,746,743	$3,875,528	$3,833,963	$4,373,589	$4,814,964
CURRENT AND ACCRUED LIABILITIES										
158.1	NOTES PAYABLE TO AFFILIATED COMPANIES	$0	$0	$0	$0	$0	$0	$0	$0	$0
158.2	OTHER NOTES PAYABLE	0	0	0	0	0	0	0	0	0
159.1	ACCOUNTS PAYABLE TO AFFILIATED COMPANIES	0	0	0	0	0	0	45,308	20,991	325,126
159.2	OTHER ACCOUNTS PAYABLE	179,928	175,376	261,573	186,926	151,539	180,283	870,483	457,656	503,845
160	CUSTOMERS' DEPOSITS	1,673	1,450	0	1,181	7,310	1,838	626	3,964	4,859
162	MATURED INTEREST AND DIVIDENDS	0	0	0	0	0	0	0	0	0
163	MATURED LONG-TERM DEBT	0	0	0	0	0	0	0	0	0
164	ADVANCE BILLING AND PAYMENTS	33,073	34,450	28,035	58,328	70,166	78,034	79,229	88,372	99,366
165	OTHER CURRENT LIABILITIES	0	12,414	17,896	0	0	0	1,653	0	0
166	TAXES ACCRUED	8,771	52,277	18,782	42,621	58,640	93,385	295,890	64,379	63,815
167	UNMATURED INTEREST, DIV. & RENTS ACCRUED	40,181	38,822	41,952	41,958	48,153	46,718	44,800	44,000	43,675
	TOTAL CURRENT AND ACCRUED LIABILITIES	$263,626	$314,789	$368,238	$331,014	$335,808	$400,258	$1,337,989	$679,362	$1,040,686
DEFERRED CREDITS AND OPERATING RESERVES										
168	PREMIUM ON LONG-TERM DEBT	$0	$0	$0	$0	$0	$0	$0	$0	$0
169	INSURANCE RESERVES	0	0	0	0	0	0	0	0	0
170	PROVIDENT RESERVES	0	0	0	0	0	0	0	0	0
174	OTHER DEFERRED CREDITS	185,457	281,914	372,651	446,245	565,736	609,315	617,762	794,272	639,737
176.1	ACCUM.DEFERRED INCOME TAXES-ACC. TAX DEP.	0	0	51,084	124,000	239,800	397,800	551,800	770,800	972,800
176.2	ACCUM.DEFERRED INCOME TAXES - OTHER	0	0	0	(36,700)	(38,700)	(54,700)	(72,700)	(95,700)	(104,700)
	TOTAL DEFERRED CREDITS & OPERATING RESERVES	$185,457	$281,914	$423,735	$533,545	$766,836	$952,415	$1,096,862	$1,469,372	$1,507,837
	TOTAL LIABILITIES AND OTHER CREDITS	$4,238,412	$5,329,425	$6,172,194	$6,267,476	$8,111,190	$8,778,304	$10,014,384	$10,528,801	$11,773,377

TABLE 10.3

BLOCK3 -- INCOME AND RETAINED EARNINGS
AUGUST 15, 1988

10 INTER-ISLAND TELEPHONE - TOTAL COMPANY OPERATIONS
INCOME AND RETAINED EARNINGS STATEMENT

	1979	1980	1981	1982	1983	1984	1985	1986	1987
NET INCOME									
NET OPERATING INCOME -WASHINGTON	$393,528	$510,137	$546,490	$559,693	$675,136	$849,053	$898,172	$844,445	$1,022,510
-OTHER STATES	0	0	0	0	0	0	0	0	0
TOTAL NET OPERATING INCOME	$393,528	$510,137	$546,490	$559,693	$675,136	$849,053	$898,172	$844,445	$1,022,510
INTEREST CHARGED TO CONSTRUCTION	1,556	0	0	0	0	0	0	0	0
OTHER INCOME	0	8,277	80,203	11,524	7,782	6,912	17,803	395	12,148
MISCELLANEOUS DEDUCTIONS FROM INCOME	11,743	6,768	8,637	0	0	0	0	0	445
INTEREST ON FUNDED DEBT	103,606	215,551	237,753	250,416	256,973	266,544	269,060	282,744	300,418
OTHER FIXED CHARGES	14,490	102	158	1,768	12,263	1,121	1,448	1,188	5,383
EXTRAORDINARY/DELAYED ITEMS BEFORE TAX EFFECT	(54,429)	0	0	0	0	0	0	0	0
INCOME TAX EFFECT OF EXTRAORDINARY/DELAYED ITEMS	(25,037)	0	0	0	0	0	0	0	0
NET INCOME	$235,853	$295,993	$380,145	$319,033	$413,682	$588,300	$645,467	$560,908	$728,412
RETAINED EARNINGS (ACCOUNT 181)									
BALANCE AT BEGINNING OF YEAR	$760,916	$1,014,494	$1,310,487	$1,745,628	$1,794,661	$1,958,343	$2,246,643	$2,442,110	$2,703,018
CREDITS: NET INCOME(AS ABOVE)	$235,853	$295,993	$380,145	$319,033	$413,682	$588,300	$645,467	$560,908	$728,412
OTHER CREDITS	17,725	0	84,336	0	0	0	0	0	0
TOTAL CREDITS	$253,578	$295,993	$464,481	$319,033	$413,682	$588,300	$645,467	$560,908	$728,412
DEBITS: DIVIDEND APPROPRIATIONS	$0	$0	$0	$270,000	$250,000	$300,000	$450,000	$300,000	$325,000
OTHER DEBITS	0	0	29,340	0	0	0	0	0	0
TOTAL DEBITS	$0	$0	$29,340	$270,000	$250,000	$300,000	$450,000	$300,000	$325,000
BALANCE AT END OF YEAR	$1,014,494	$1,310,487	$1,745,628	$1,794,661	$1,958,343	$2,246,643	$2,442,110	$2,703,018	$3,106,430

TABLE 10.4

BLOCK4: NET INCOME & PLANT STATS.
AUGUST 15, 1988

10 INTER-ISLAND TELEPHONE - TOTAL COMPANY OPERATIONS
NET OPERATING INCOME AND PLANT STATISTICS

	1979	1980	1981	1982	1983	1984	1985	1986	1987
OPERATING REVENUES									
LOCAL SERVICE	$441,587	$478,195	$526,512	$579,123	$716,026	$791,189	$790,502	$838,480	$881,381
ACCESS REVENUES	0	0	0	0	0	2,527,513	2,651,863	2,817,492	2,733,665
TOLL SERVICE	747,215	1,075,594	1,372,386	1,696,994	2,189,223	36,880	56,484	0	8,063
MISCELLANEOUS	92,486	116,759	128,558	122,069	200,695	340,564	393,016	507,372	766,105
UNCOLLECTIBLES - DEBIT	4,594	2,974	4,688	26,359	17,203	20,988	2,838	3,773	8,187
TOTAL OPERATING REVENUES	$1,276,694	$1,667,574	$2,022,768	$2,371,827	$3,088,741	$3,675,158	$3,889,027	$4,159,571	$4,381,027
OPERATING REVENUE EXPENSES									
MAINTENANCE	$201,067	$279,086	$349,881	$509,882	$604,556	$707,231	$767,553	$984,303	$810,888
DEPRECIATION AND AMORTIZATION	162,457	227,159	278,929	394,520	503,485	487,500	456,488	453,549	557,050
TRAFFIC	8,839	7,044	6,837	27,692	43,304	37,780	56,037	117,122	138,398
COMMERCIAL	131,613	175,890	132,515	161,370	231,960	239,971	245,514	262,339	262,793
ACCESS EXPENSES	0	0	0	0	0	0	0	0	0
GENERAL OFFICE	104,263	134,629	218,285	236,934	447,549	646,294	651,704	730,689	751,196
OTHER OPERATING EXPENSES	51,273	60,967	134,057	123,133	166,091	134,536	211,602	185,197	257,185
TOTAL OPERATING REVENUE EXPENSES	$659,512	$884,775	$1,120,504	$1,453,531	$1,996,945	$2,253,312	$2,388,898	$2,733,199	$2,777,510
INVESTMENT CREDIT - NET	$102,200	$96,457	$90,737	$37,400	$6,000	$26,000	($5,000)	$123,000	($53,000)
FEDERAL INCOME TAXES	51,656	85,661	101,001	146,400	272,000	272,000	355,000	97,000	290,000
OTHER OPERATING TAXES	69,798	90,544	112,952	140,503	126,660	132,793	115,957	165,927	151,007
OPERATING FED.INCOME TAX DEFER - ACC.DEP	0	0	51,084	71,000	14,000	158,000	154,000	219,000	206,000
OPER.FED. INCOME TAX DEFER - OTHER	0	0	0	(36,700)	(2,000)	(16,000)	(18,000)	(23,000)	(9,000)
INC. CREDITS FROM PRIOR FED. TAXES	0	0	0	0	0	0	0	0	4,000
TOTAL OPERATING TAXES	$223,654	$272,662	$355,774	$358,603	$416,660	$572,793	$601,957	$581,927	$581,007
TOTAL OPERATING REV DEDUCTIONS	$883,166	$1,157,437	$1,476,278	$1,812,134	$2,413,605	$2,826,105	$2,990,855	$3,315,126	$3,358,517
NET OPERATING INCOME	$393,528	$510,137	$546,490	$559,693	$675,136	$849,053	$898,172	$844,445	$1,022,510
100.1 TELEPHONE PLANT IN SERVICE	$3,634,777	$4,905,602	$6,021,773	$6,592,202	$8,285,897	$8,929,065	$9,308,737	$10,391,448	$13,401,725
100.3 PROPERTY HELD FOR FUTURE USE	0	0	0	0	0	0	0	0	0
LESS: 171 & 172 DEP. & AMORT. RESERVES	891,777	1,115,009	1,257,410	1,689,680	2,433,004	2,868,265	3,303,257	3,013,164	3,406,236
NET TELEPHONE PLANT END OF YEAR(DEC)	$2,743,000	$3,790,593	$4,764,363	$4,902,522	$5,852,893	$6,060,800	$6,005,480	$7,378,284	$9,995,489
PRIMARY STATISTICS									
MILES OF: WIRE IN CABLE	14,737	30,871	31,426	32,508	38,280	40,272	40,699	41,138	49,178
AERIAL WIRE	97	90	84	79	115	104	93	90	79
UNDERGROUND CONDUIT (SINGLE DUCT)	2	2	3	2	3	3	4	4	4
CARRIER CHANNEL(TELEPHONE)	1,400	1,508	1,664	1,664	4,446	4,446	4,590	4,603	6,153
NUMBER OF POLES	647	575	553	485	709	665	631	630	318
NUMBER OF CENTRAL OFFICES	3	3	3	3	4	4	4	4	4
ACCESS LINES(RESIDENTIAL)	0	0	0	0	0	4,114	4,262	4,464	4,644
ACCESS LINES(BUSINESS)	0	0	0	0	0	1,280	1,398	1,547	1,672
ACCESS LINES(PUBLIC)	0	0	0	0	0	80	80	82	116
ACCESS LINES(TOTAL)	0	0	0	0	0	5,474	5,740	6,093	6,432

TABLE 11.1

BLOCK1: BALANCE SHEET -- ASSETS
AUGUST 17, 1988

11 KALAMA TELEPHONE - TOTAL COMPANY OPERATIONS
BALANCE SHEET - ASSETS AND OTHER DEBITS

		1979	1980	1981	1982	1983	1984	1985	1986	1987
TELEPHONE PLANT										
100.1	TELEPHONE PLANT IN SERVICE	$2,635,693	$3,076,796	$3,330,045	$3,468,207	$3,683,260	$3,754,197	$3,348,750	$3,422,437	$3,378,425
100.2	TELEPHONE PLANT UNDER CONSTRUCTION	63,885	22,533	4,094	0	15,008	0	9,936	20,579	438
100.3	PROPERTY HELD FOR FUTURE TELEPHONE USE	0	0	0	0	0	0	0	0	0
100.4	TELEPHONE PLANT ACQUISITION ADJUSTMENT	0	0	0	0	0	0	0	0	0
171	LESS: DEPRECIATION RESERVE	1,013,009	835,018	1,040,151	1,223,970	1,359,016	1,587,263	1,405,253	1,533,790	1,398,661
172	AMORTIZATION RESERVE	0	0	0	0	0	0	0	0	0
	TOTAL NET TELEPHONE PLANT	$1,686,569	$2,264,311	$2,293,988	$2,244,237	$2,339,252	$2,166,934	$1,953,433	$1,909,226	$1,980,202
INVESTMENTS AND FUNDS										
101.1	INVESTMENTS IN AFFILIATED COMPANIES	$0	$0	$0	$0	$0	$0	$0	$0	$0
101.2	ADVANCES TO AFFILIATED COMPANIES	0	0	0	0	0	0	100,000	0	0
102	OTHER INVESTMENTS	14,656	17,360	24,097	26,543	27,769	28,623	33,473	33,686	40,647
103	MISCELLANEOUS PHYSICAL PROPERTY	0	56,500	30,276	29,966	0	15,630	55,529	69,212	170,907
104	SINKING FUNDS(EXCLUDING OWN ISSUES)	0	0	0	0	0	0	0	0	0
106	NONREGULATED INVESTMENT	0	0	0	0	0	0	0	0	0
136	PROVIDENT FUNDS(EXCLUDING OWN ISSUES)	0	0	0	0	0	0	0	0	0
	TOTAL INVESTMENTS AND FUNDS	$14,656	$73,860	$54,373	$56,509	$27,769	$44,253	$189,002	$102,898	$211,554
CURRENT ASSETS										
113	CASH	$30,169	$27,659	$29,949	$28,635	$244,652	$355,057	$397,026	$64,795	$8,398
114	SPECIAL CASH DEPOSITS	0	0	0	0	0	0	0	0	0
115	WORKING FUNDS	0	0	0	0	0	0	0	0	0
116	TEMPORARY CASH INVESTMENTS	0	0	0	0	0	0	0	460,900	507,532
117.1	NOTES RECEIVABLE FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
117.2	OTHER NOTES RECEIVABLE	0	0	0	0	0	0	0	0	0
118	DUE FROM CUSTOMERS AND AGENTS	49,564	61,856	63,937	71,146	85,858	111,497	195,631	104,974	132,265
120.1	ACCTS RECEIVABLE FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
120.2	OTHER ACCOUNTS RECEIVABLE	26,192	29,631	22,535	56,239	22,000	27,399	21,292	20,751	0
121	INTEREST AND DIVIDENDS RECEIVABLE	0	0	0	0	0	0	0	0	0
122	MATERIAL AND SUPPLIES	41,720	15,423	16,425	17,285	13,475	8,351	13,333	28,909	24,807
123	OTHER CURRENT ASSETS	0	0	0	4,292	20,407	35,406	15,021	27,777	13,265
	TOTAL CURRENT ASSETS	$147,645	$134,569	$132,846	$177,597	$386,392	$537,710	$642,303	$708,106	$686,267
PREPAID ACCOUNTS AND DEFERRED CHARGES										
129	PREPAID RENTS	$0	$0	$0	$0	$0	$0	$0	$0	$0
130	PREPAID TAXES	12,017	55,634	5,658	0	0	0	0	29,801	15,011
131	PREPAID INSURANCE	8,269	4,894	5,050	5,064	5,250	5,810	7,382	8,335	9,139
132	PREPAID DIRECTORY EXPENSESS	0	0	0	0	0	0	0	0	0
133	OTHER PREPAYMENTS	0	0	0	0	0	0	0	0	0
135	DISCOUNT ON LONG-TERM DEBT	2,306	5,146	4,640	4,134	3,628	3,122	2,616	2,110	1,603
138	EXTRAORDINARY MAINTENANCE & RETIREMENTS	0	0	0	0	0	0	0	0	0
139	OTHER DEFERRED CHARGES	0	0	0	0	0	0	0	0	0
	TOTAL PREPAID ACCOUNTS & DEFERRED CHARGES	$22,592	$65,674	$15,348	$9,198	$8,878	$8,932	$9,998	$40,246	$25,753
	TOTAL ASSETS AND OTHER DEBITS	$1,871,462	$2,538,414	$2,496,555	$2,487,541	$2,762,291	$2,757,829	$2,794,736	$2,760,476	$2,903,776

TABLE 11.2

BLOCK 2: BALANCE SHEET -- LIABILITIES
AUGUST 17, 1988

11 KALAMA TELEPHONE - TOTAL COMPANY OPERATIONS
BALANCE SHEET - LIABILITIES AND OTHER CREDITS

		1979	1980	1981	1982	1983	1984	1985	1986	1987
STOCKHOLDERS EQUITY										
150	CAPITAL STOCK (ACTUALLY OUTSTANDING)	$35,000	$35,000	$35,000	$35,000	$35,000	$35,000	$35,000	$35,000	$35,000
152	PREMIUM ON CAPITAL STOCK	0	0	0	0	0	0	0	0	0
179	OTHER CAPITAL	0	0	0	0	0	0	0	0	0
180	RETAINED EARNINGS RESERVED	0	0	0	0	0	0	0	0	0
181	UNAPPROPRIATED RETAINED EARNINGS	937,367	1,081,577	1,174,382	1,265,113	1,467,285	1,637,675	1,840,666	1,841,353	1,973,195
134.1	LESS: DISCOUNT ON CAPITAL STOCK	0	0	0	0	0	0	0	0	0
134.2	CAPITAL STOCK EXPENSE	0	0	0	0	0	0	0	0	0
	TOTAL NET STOCKHOLDERS' EQUITY	$972,367	$1,116,577	$1,209,382	$1,300,113	$1,502,285	$1,672,675	$1,875,666	$1,876,353	$2,008,195
LONG-TERM DEBT										
154.1	FUNDED DEBT	$380,948	$1,100,000	$1,008,330	$898,326	$788,322	$678,318	$568,314	$507,887	$451,967
156	ADVANCES FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
157	OTHER LONG-TERM DEBT	0	0	0	0	0	0	0	0	0
	TOTAL LONG-TERM DEBT	$380,948	$1,100,000	$1,008,330	$898,326	$788,322	$678,318	$568,314	$507,887	$451,967
CURRENT AND ACCRUED LIABILITIES										
158.1	NOTES PAYABLE TO AFFILIATED COMPANIES	$0	$0	$0	$0	$0	$0	$0	$0	$0
158.2	OTHER NOTES PAYABLE	315,000	0	45,000	0	0	0	0	0	0
159.1	ACCOUNTS PAYABLE TO AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
159.2	OTHER ACCOUNTS PAYABLE	95,912	152,355	35,144	15,405	68,764	36,324	26,397	75,289	132,464
160	CUSTOMERS' DEPOSITS	2,679	3,316	4,458	4,878	4,488	4,450	4,465	4,150	5,590
162	MATURED INTEREST AND DIVIDENDS	0	0	0	0	0	0	0	0	0
163	MATURED LONG-TERM DEBT	0	0	0	0	0	0	0	0	0
164	ADVANCE BILLING AND PAYMENTS	0	0	0	0	0	0	0	0	0
165	OTHER CURRENT LIABILITIES	33,792	43,761	41,351	69,972	73,601	76,816	47,877	54,257	61,416
166	TAXES ACCRUED	9,017	16,107	12,953	30,949	110,126	43,194	35,451	3,788	4,457
167	UNMATURED INTEREST, DIV. & RENTS ACCRUED	9,451	13,369	11,820	10,531	9,694	8,721	7,525	5,124	5,208
	TOTAL CURRENT AND ACCRUED LIABILITIES	$465,851	$228,908	$150,726	$131,735	$266,673	$169,505	$121,715	$142,608	$209,135
DEFERRED CREDITS AND OPERATING RESERVES										
168	PREMIUM ON LONG-TERM DEBT	$0	$0	$0	$0	$0	$0	$0	$0	$0
169	INSURANCE RESERVES	0	0	0	0	0	0	0	0	0
170	PROVIDENT RESERVES	0	0	0	0	0	0	0	0	0
174	OTHER DEFERRED CREDITS	52,296	92,929	112,644	118,919	134,232	130,146	108,968	99,113	87,899
176.1	ACCUM.DEFERRED INCOME TAXES-ACC. TAX DEP.	0	0	15,473	38,448	70,779	107,185	120,073	134,515	146,580
176.2	ACCUM.DEFERRED INCOME TAXES - OTHER	0	0	0	0	0	0	0	0	0
	TOTAL DEFERRED CREDITS & OPERATING RESERVES	$52,296	$92,929	$128,117	$157,367	$205,011	$237,331	$229,041	$233,628	$234,479
	TOTAL LIABILITIES AND OTHER CREDITS	$1,871,462	$2,538,414	$2,496,555	$2,487,541	$2,762,291	$2,757,829	$2,794,736	$2,760,476	$2,903,776

TABLE 11.3

BLOCK 3: -- INCOME AND RETAINED EARNINGS
AUGUST 17, 1988

11 KALAMA TELEPHONE - TOTAL COMPANY OPERATIONS
INCOME AND RETAINED EARNINGS STATEMENT

	1979	1980	1981	1982	1983	1984	1985	1986	1987
NET INCOME									
NET OPERATING INCOME -WASHINGTON	$183,121	$278,000	$243,976	$255,760	$359,270	$309,485	$308,126	$264,027	$235,724
-OTHER STATES	0	0	0	0	0	0	0	0	0
TOTAL NET OPERATING INCOME	$183,121	$278,000	$243,976	$255,760	$359,270	$309,485	$308,126	$264,027	$235,724
INTEREST CHARGED TO CONSTRUCTION	0	0	0	0	0	0	0	0	0
OTHER INCOME	2,770	2,159	4,666	(5,605)	(13,003)	8,105	58,876	(32,311)	51,697
MISCELLANEOUS DEDUCTIONS FROM INCOME	1,630	1,690	1,815	2,082	(7,229)	(7,801)	15,298	(29,258)	2,828
INTEREST ON FUNDED DEBT	38,713	85,858	132,599	119,097	105,381	92,930	78,580	52,673	43,908
OTHER FIXED CHARGES	26,575	34,401	7,423	6,745	3,943	3,271	2,933	1,914	4,753
EXTRAORDINARY/DELAYED ITEMS BEFORE TAX EFFECT	0	0	0	0	0	0	0	0	0
INCOME TAX EFFECT OF EXTRAORDINARY/DELAYED ITEMS	0	0	0	0	0	0	0	0	0
NET INCOME	$118,973	$158,210	$106,805	$122,231	$244,172	$229,190	$270,191	$206,387	$235,932
RETAINED EARNINGS (ACCOUNT 181)									
BALANCE AT BEGINNING OF YEAR	$839,394	$937,367	$1,081,577	$1,174,382	$1,265,113	$1,467,285	$1,637,675	$1,840,666	$1,841,353
CREDITS: NET INCOME(AS ABOVE)	$118,973	$158,210	$106,805	$122,231	$244,172	$229,190	$270,191	$206,387	$235,932
OTHER CREDITS	0	0	0	0	0	0	0	0	0
TOTAL CREDITS	$118,973	$158,210	$106,805	$122,231	$244,172	$229,190	$270,191	$206,387	$235,932
DEBITS: DIVIDEND APPROPRIATIONS	$21,000	$14,000	$14,000	$31,500	$42,000	$58,800	$67,200	$205,700	$104,090
OTHER DEBITS	0	0	0	0	0	0	0	0	0
TOTAL DEBITS	$21,000	$14,000	$14,000	$31,500	$42,000	$58,800	$67,200	$205,700	$104,090
BALANCE AT END OF YEAR	$937,367	$1,081,577	$1,174,382	$1,265,113	$1,467,285	$1,637,675	$1,840,666	$1,841,353	$1,973,195

TABLE 11.4

BLOCK 4:
AUGUST 17, 1988

11 KALAMA TELEPHONE - TOTAL COMPANY OPERATIONS
NET OPERATING INCOME AND PLANT STATISTICS

	1979	1980	1981	1982	1983	1984	1985	1986	1987
OPERATING REVENUES									
LOCAL SERVICE	$256,820	$268,438	$287,532	$338,948	$371,831	$392,685	$274,070	$331,038	$319,107
ACCESS REVENUES	0	0	0	0	0	0	585,336	370,480	420,557
TOLL SERVICE	537,227	661,094	790,932	840,231	990,431	1,011,167	256,435	372,970	293,836
MISCELLANEOUS	9,846	8,162	9,732	15,594	28,288	17,945	91,523	70,472	150,528
UNCOLLECTIBLES - DEBIT	4,566	5,506	4,500	4,500	4,500	4,500	11,709	6,370	8,032
TOTAL OPERATING REVENUES	$799,327	$932,188	$1,083,696	$1,190,273	$1,386,050	$1,417,297	$1,195,655	$1,138,590	$1,175,996
OPERATING REVENUE EXPENSES									
MAINTENANCE	$91,598	$100,593	$135,247	$177,932	$164,788	$194,582	$105,708	$108,784	$136,003
DEPRECIATION AND AMORTIZATION	149,843	162,971	212,689	198,100	202,279	214,440	173,672	162,952	153,816
TRAFFIC	3,780	3,681	3,616	10,841	4,059	5,683	3,780	(906)	1,245
COMMERCIAL	38,800	46,277	53,313	68,379	75,468	74,494	72,167	70,369	92,192
ACCESS EXPENSES	0	0	0	0	0	0	0	0	0
GENERAL OFFICE	155,488	173,006	226,167	254,842	222,634	244,247	222,984	219,793	270,629
OTHER OPERATING EXPENSES	106,580	103,157	101,130	98,281	113,502	127,115	117,036	109,557	109,588
TOTAL OPERATING REVENUE EXPENSES	$546,089	$589,685	$732,162	$808,375	$782,730	$860,561	$695,347	$670,549	$763,473
INVESTMENT CREDIT - NET	$8,594	$40,633	$18,032	$6,275	$15,313	($4,086)	($21,178)	($9,855)	($8,959)
FEDERAL INCOME TAXES	15,122	(34,360)	11,064	28,615	131,773	155,260	152,724	151,839	122,342
OTHER OPERATING TAXES	46,401	58,230	62,989	68,273	64,633	59,671	47,748	47,588	55,006
OPERATING FED.INCOME TAX DEFER - ACC.DEP	0	0	15,473	22,975	32,331	36,406	12,888	14,442	8,410
OPER.FED. INCOME TAX DEFER - OTHER	0	0	0	0	0	0	0	0	0
INC. CREDITS FROM PRIOR FED. TAXES	0	0	0	0	0	0	0	0	0
TOTAL OPERATING TAXES	$70,117	$64,503	$107,558	$126,138	$244,050	$247,251	$192,182	$204,014	$176,799
TOTAL OPERATING REV DEDUCTIONS	$616,206	$654,188	$839,720	$934,513	$1,026,780	$1,107,812	$887,529	$874,563	$940,272
NET OPERATING INCOME	$183,121	$278,000	$243,976	$255,760	$359,270	$309,485	$308,126	$264,027	$235,724
100.1 TELEPHONE PLANT IN SERVICE	$2,635,693	$3,076,796	$3,330,045	$3,468,207	$3,683,260	$3,754,197	$3,348,750	$3,422,437	$3,378,425
100.3 PROPERTY HELD FOR FUTURE USE	0	0	0	0	0	0	0	0	0
LESS: 171 & 172 DEP. & AMORT. RESERVES	1,013,009	835,018	1,040,151	1,223,970	1,359,016	1,587,263	1,405,253	1,533,790	1,398,661
NET TELEPHONE PLANT END OF YEAR(DEC)	$1,622,684	$2,241,778	$2,289,894	$2,244,237	$2,324,244	$2,166,934	$1,943,497	$1,888,647	$1,979,764
PRIMARY STATISTICS									
MILES OF: WIRE IN CABLE	7,196	7,226	7,386	8,736	10,241	10,947	10,992	11,154	11,360
AERIAL WIRE	22	22	22	17	17	17	17	9	9
UNDERGROUND CONDUIT (SINGLE DUCT)	0	0	0	0	0	0	0	0	0
CARRIER CHANNEL(TELEPHONE)	865	898	898	898	898	898	898	898	898
NUMBER OF POLES	849	849	847	821	799	781	778	762	765
NUMBER OF CENTRAL OFFICES	1	1	1	1	1	1	1	1	1
ACCESS LINES(RESIDENTIAL)	0	0	0	0	0	1,207	1,216	1,230	1,258
ACCESS LINES(BUSINESS)	0	0	0	0	0	394	362	377	383
ACCESS LINES(PUBLIC)	0	0	0	0	0	22	26	26	26
ACCESS LINES(TOTAL)	0	0	0	0	0	1,623	1,604	1,633	1,667

TABLE 12.1

BLOCK1: BALANCE SHEET -- ASSETS
AUGUST 18, 1988

12 LEWIS RIVER TELEPHONE - TOTAL COMPANY OPERATIONS
BALANCE SHEET - ASSETS AND OTHER DEBITS

		1979	1980	1981	1982	1983	1984	1985	1986	1987
TELEPHONE PLANT										
100.1	TELEPHONE PLANT IN SERVICE	$3,206,572	$3,705,974	$3,700,001	$4,237,645	$4,346,644	$4,605,558	$5,024,199	$5,286,455	$5,412,956
100.2	TELEPHONE PLANT UNDER CONSTRUCTION	22,788	27,180	34,576	188,496	19,724	2,547	4,482	57,143	196,096
100.3	PROPERTY HELD FOR FUTURE TELEPHONE USE	4,858	3,129	243	1,651	1,651	1,651	1,651	1,651	1,651
100.4	TELEPHONE PLANT ACQUISITION ADJUSTMENT	0	0	0	0	0	0	0	0	0
171	LESS: DEPRECIATION RESERVE	728,222	551,612	534,699	873,750	917,220	1,179,529	1,463,791	1,586,604	1,747,492
172	AMORTIZATION RESERVE	0	0	0	0	0	0	0	0	0
	TOTAL NET TELEPHONE PLANT	$2,505,996	$3,184,671	$3,200,121	$3,554,042	$3,450,799	$3,430,227	$3,566,541	$3,758,645	$3,861,211
INVESTMENTS AND FUNDS										
101.1	INVESTMENTS IN AFFILIATED COMPANIES	$0	$0	$0	$0	$0	$0	$0	$0	$0
101.2	ADVANCES TO AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
102	OTHER INVESTMENTS	69,750	101,750	112,972	115,250	118,050	131,097	129,168	145,856	159,470
103	MISCELLANEOUS PHYSICAL PROPERTY	0	0	0	0	0	0	0	0	0
104	SINKING FUNDS(EXCLUDING OWN ISSUES)	0	0	0	0	0	0	0	0	0
106	NONREGULATED INVESTMENT	0	0	0	0	0	0	0	0	16,524
136	PROVIDENT FUNDS(EXCLUDING OWN ISSUES)	0	0	0	0	0	0	0	0	0
	TOTAL INVESTMENTS AND FUNDS	$69,750	$101,750	$112,972	$115,250	$118,050	$131,097	$129,168	$145,856	$175,994
CURRENT ASSETS										
113	CASH	$42,940	$91,709	$69,588	$89,708	$72,445	$341,202	$188,384	$33,873	$55,191
114	SPECIAL CASH DEPOSITS	0	0	0	0	0	0	0	0	0
115	WORKING FUNDS	$250	250	250	250	250	250	250	350	450
116	TEMPORARY CASH INVESTMENTS	125,735	213,877	356,404	309,203	545,621	824,545	547,995	730,344	708,604
117.1	NOTES RECEIVABLE FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
117.2	OTHER NOTES RECEIVABLE	0	0	0	0	0	0	0	0	0
118	DUE FROM CUSTOMERS AND AGENTS	92,353	99,876	110,176	108,754	140,863	137,628	172,984	167,798	187,385
120.1	ACCTS RECEIVABLE FROM AFFILIATED COMPANIES	0	0	0	0	0	0	500,000	15,853	15,853
120.2	OTHER ACCOUNTS RECEIVABLE	(49,300)	62,438	45,815	61,362	65,535	117,182	(21,759)	63,466	(9,319)
121	INTEREST AND DIVIDENDS RECEIVABLE	0	0	0	0	0	0	0	0	0
122	MATERIAL AND SUPPLIES	38,457	47,635	28,400	34,737	38,391	37,929	58,132	53,283	41,278
123	OTHER CURRENT ASSETS	0	0	0	0	0	0	0	0	0
	TOTAL CURRENT ASSETS	$250,435	$515,785	$610,633	$604,014	$863,105	$1,458,736	$1,445,986	$1,064,967	$999,442
PREPAID ACCOUNTS AND DEFERRED CHARGES										
129	PREPAID RENTS	$0	$0	$0	$0	$0	$0	$0	$0	$0
130	PREPAID TAXES	0	0	0	0	0	0	0	0	0
131	PREPAID INSURANCE	4,655	6,211	4,950	4,891	4,630	5,500	6,125	7,577	9,080
132	PREPAID DIRECTORY EXPENSESS	0	0	0	0	0	0	0	0	0
133	OTHER PREPAYMENTS	0	0	0	0	0	0	0	0	0
135	DISCOUNT ON LONG-TERM DEBT	2,670	2,590	2,510	2,430	2,350	2,270	2,185	2,100	2,015
138	EXTRAORDINARY MAINTENANCE & RETIREMENTS	0	0	0	0	0	0	0	0	0
139	OTHER DEFERRED CHARGES	0	0	0	0	0	0	0	0	0
	TOTAL PREPAID ACCOUNTS & DEFERRED CHARGES	$7,325	$8,801	$7,460	$7,321	$6,980	$7,770	$8,310	$9,677	$11,095
	TOTAL ASSETS AND OTHER DEBITS	$2,833,506	$3,811,007	$3,931,186	$4,280,627	$4,438,934	$5,027,830	$5,150,005	$4,979,145	$5,047,742

TABLE 12.2

BLOCK 2: BALANCE SHEET -- LIABILITIES
AUGUST 18, 1988

12 LEWIS RIVER TELEPHONE - TOTAL COMPANY OPERATIONS
BALANCE SHEET - LIABILITIES AND OTHER CREDITS

		1979	1980	1981	1982	1983	1984	1985	1986	1987
STOCKHOLDERS EQUITY										
150	CAPITAL STOCK (ACTUALLY OUTSTANDING)	$35,000	$35,000	$35,000	$35,000	$35,000	$35,000	$35,000	$35,000	$35,000
152	PREMIUM ON CAPITAL STOCK	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
179	OTHER CAPITAL	0	0	0	0	0	0	0	0	0
180	RETAINED EARNINGS RESERVED	0	0	0	0	0	0	0	0	0
181	UNAPPROPRIATED RETAINED EARNINGS	1,157,865	1,360,278	1,504,737	1,756,759	1,959,589	2,303,986	2,559,750	2,326,367	2,587,744
134.1	LESS: DISCOUNT ON CAPITAL STOCK	0	0	0	0	0	0	0	0	0
134.2	CAPITAL STOCK EXPENSE	0	0	0	0	0	0	0	0	0
	TOTAL NET STOCKHOLDERS' EQUITY	$1,197,865	$1,400,278	$1,544,737	$1,796,759	$1,999,589	$2,343,986	$2,599,750	$2,366,367	$2,627,744
LONG-TERM DEBT										
154.1	FUNDED DEBT	$1,349,041	$1,846,999	$1,816,895	$1,784,800	$1,747,565	$1,708,859	$1,650,292	$1,606,822	$1,561,486
156	ADVANCES FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
157	OTHER LONG-TERM DEBT	0	0	0	0	0	0	0	0	0
	TOTAL LONG-TERM DEBT	$1,349,041	$1,846,999	$1,816,895	$1,784,800	$1,747,565	$1,708,859	$1,650,292	$1,606,822	$1,561,486
CURRENT AND ACCRUED LIABILITIES										
158.1	NOTES PAYABLE TO AFFILIATED COMPANIES	$0	$0	$0	$0	$0	$0	$0	$0	$0
158.2	OTHER NOTES PAYABLE	0	0	0	0	0	0	0	0	0
159.1	ACCOUNTS PAYABLE TO AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
159.2	OTHER ACCOUNTS PAYABLE	18,953	75,057	30,362	21,719	46,857	36,687	104,185	46,149	75,073
160	CUSTOMERS' DEPOSITS	4,975	6,110	5,548	5,590	7,072	8,680	11,753	11,100	12,027
162	MATURED INTEREST AND DIVIDENDS	0	0	0	0	0	0	0	0	0
163	MATURED LONG-TERM DEBT	0	0	0	0	0	0	0	0	0
164	ADVANCE BILLING AND PAYMENTS	16,046	17,113	18,606	18,668	19,328	20,321	21,617	23,571	26,177
165	OTHER CURRENT LIABILITIES	0	0	0	0	0	0	28,452	32,269	54,844
166	TAXES ACCRUED	(67,056)	32,347	28,891	96,319	(12,575)	251,143	41,032	186,277	4,989
167	UNMATURED INTEREST, DIV. & RENTS ACCRUED	15,465	21,196	26,613	18,525	17,357	17,265	17,099	17,082	16,880
	TOTAL CURRENT AND ACCRUED LIABILITIES	($11,617)	$151,823	$110,020	$160,821	$78,039	$334,096	$224,138	$316,448	$189,990
DEFERRED CREDITS AND OPERATING RESERVES										
168	PREMIUM ON LONG-TERM DEBT	$0	$0	$0	$0	$0	$0	$0	$0	$0
169	INSURANCE RESERVES	0	0	0	0	0	0	0	0	0
170	PROVIDENT RESERVES	0	0	0	0	0	0	0	0	0
174	OTHER DEFERRED CREDITS	184,692	249,883	267,676	295,160	284,320	276,794	282,819	257,217	233,629
176.1	ACCUM.DEFERRED INCOME TAXES-ACC. TAX DEP.	113,525	162,025	191,859	243,087	329,421	364,095	393,006	432,291	434,893
176.2	ACCUM.DEFERRED INCOME TAXES - OTHER	0	0	0	0	0	0	0	0	0
	TOTAL DEFERRED CREDITS & OPERATING RESERVES	$298,217	$411,908	$459,535	$538,247	$613,741	$640,889	$675,825	$689,508	$668,522
	TOTAL LIABILITIES AND OTHER CREDITS	$2,833,506	$3,811,008	$3,931,187	$4,280,627	$4,438,934	$5,027,830	$5,150,005	$4,979,145	$5,047,742

TABLE 12.3

BLOCK 3:
AUGUST 18, 1988

12 LEWIS RIVER TELEPHONE - TOTAL COMPANY OPERATIONS
INCOME AND RETAINED EARNINGS STATEMENT

	1979	1980	1981	1982	1983	1984	1985	1986	1987
NET INCOME									
NET OPERATING INCOME -WASHINGTON	$165,194	$279,946	$200,769	$315,625	$269,332	$392,058	$298,797	$428,696	$301,263
-OTHER STATES	0	0	0	0	0	0	0	0	0
TOTAL NET OPERATING INCOME	$165,194	$279,946	$200,769	$315,625	$269,332	$392,058	$298,797	$428,696	$301,263
INTEREST CHARGED TO CONSTRUCTION	0	0	0	0	0	0	0	0	0
OTHER INCOME	6,082	13,072	46,153	44,674	37,333	82,775	83,979	75,068	165,285
MISCELLANEOUS DEDUCTIONS FROM INCOME	0	285	(4,564)	(1,186)	125	375	407	570	350
INTEREST ON FUNDED DEBT	69,020	90,240	106,948	109,383	103,630	104,306	101,520	99,628	97,665
OTHER FIXED CHARGES	80	80	80	80	80	755	85	0	85
EXTRAORDINARY/DELAYED ITEMS BEFORE TAX EFFECT	0	0	0	0	0	0	0	(799)	4,281
INCOME TAX EFFECT OF EXTRAORDINARY/DELAYED ITEMS	0	0	0	0	0	0	0	0	0
NET INCOME	$102,176	$202,413	$144,458	$252,022	$202,830	$369,397	$280,764	$402,767	$372,729
RETAINED EARNINGS (ACCOUNT 181)									
BALANCE AT BEGINNING OF YEAR	$1,055,689	$1,157,865	$1,360,278	$1,504,736	$1,756,758	$1,959,588	$2,303,985	$2,559,750	$2,326,367
CREDITS: NET INCOME(AS ABOVE)	$102,176	$202,413	$144,458	$252,022	$202,830	$369,397	$280,764	$402,767	$372,729
OTHER CREDITS	0	0	0	0	0	0	0	0	0
TOTAL CREDITS	$102,176	$202,413	$144,458	$252,022	$202,830	$369,397	$280,764	$402,767	$372,729
DEBITS: DIVIDEND APPROPRIATIONS	$0	$0	$0	$0	$0	$25,000	$25,000	$636,150	$111,352
OTHER DEBITS	0	0	0	0	0	0	0	0	0
TOTAL DEBITS	$0	$0	$0	$0	$0	$25,000	$25,000	$636,150	$111,352
BALANCE AT END OF YEAR	$1,157,865	$1,360,278	$1,504,736	$1,756,758	$1,959,588	$2,303,985	$2,559,749	$2,326,367	$2,587,744

TABLE 12.4

BLOCK 4:
AUGUST 18, 1988

12 LEWIS RIVER TELEPHONE - TOTAL COMPANY OPERATIONS
NET OPERATING INCOME AND PLANT STATISTICS

	1979	1980	1981	1982	1983	1984	1985	1986	1987
OPERATING REVENUES									
LOCAL SERVICE	$207,988	$237,632	$253,898	$269,969	$280,547	$313,964	$337,006	$384,102	$416,304
ACCESS REVENUES	0	0	0	0	0	955,211	1,227,012	1,218,075	1,060,899
TOLL SERVICE	553,917	816,846	836,258	1,105,461	963,571	327,611	(66,680)	61,155	(35,450)
MISCELLANEOUS	8,675	14,242	11,254	14,949	14,336	52,221	61,698	117,463	101,707
UNCOLLECTIBLES - DEBIT	(1,236)	3,093	392	884	(494)	7,657	9,322	2,475	(862)
TOTAL OPERATING REVENUES	$771,816	$1,065,627	$1,101,018	$1,389,495	$1,258,948	$1,641,350	$1,549,714	$1,778,320	$1,544,322
OPERATING REVENUE EXPENSES									
MAINTENANCE	$137,589	$148,760	$204,620	$208,152	$190,111	$223,220	$235,112	$217,171	$197,251
DEPRECIATION AND AMORTIZATION	130,458	144,076	203,682	183,626	210,841	247,489	267,192	285,214	286,924
TRAFFIC	2,791	3,610	3,679	3,740	3,742	4,543	4,906	121	604
COMMERCIAL	46,298	58,261	66,153	79,174	91,155	102,520	113,989	108,260	94,169
ACCESS EXPENSES	0	0	0	0	0	0	0	0	0
GENERAL OFFICE	106,368	170,255	171,061	183,238	206,711	200,910	194,435	250,538	287,798
OTHER OPERATING EXPENSES	87,078	77,140	117,995	150,616	138,743	154,459	191,522	166,430	150,307
TOTAL OPERATING REVENUE EXPENSES	$510,582	$602,102	$767,190	$808,546	$841,303	$933,141	$1,007,156	$1,027,734	$1,017,053
INVESTMENT CREDIT - NET	$86,074	$65,191	$17,793	$27,484	($7,745)	($7,526)	$6,025	($25,602)	($23,577)
FEDERAL INCOME TAXES	(68,442)	541	10,991	82,758	(2,969)	208,911	135,165	229,721	159,189
OTHER OPERATING TAXES	60,099	69,347	74,439	103,853	72,693	80,092	73,660	78,485	84,396
OPERATING FED.INCOME TAX DEFER - ACC.DEP	18,310	48,500	29,834	51,228	86,334	34,674	28,911	39,285	5,998
OPER.FED. INCOME TAX DEFER - OTHER	0	0	0	0	0	0	0	0	0
INC. CREDITS FROM PRIOR FED. TAXES	0	0	0	0	0	0	0	0	0
TOTAL OPERATING TAXES	$96,041	$183,579	$133,057	$265,323	$148,313	$316,151	$243,761	$321,889	$226,006
TOTAL OPERATING REV DEDUCTIONS	$606,623	$785,681	$900,247	$1,073,869	$989,616	$1,249,292	$1,250,917	$1,349,623	$1,243,059
NET OPERATING INCOME	$165,193	$279,946	$200,771	$315,626	$269,332	$392,058	$298,797	$428,697	$301,263
100.1 TELEPHONE PLANT IN SERVICE	$3,206,572	$3,705,974	$3,700,001	$4,237,645	$4,346,644	$4,605,558	$5,024,199	$5,286,455	$5,412,956
100.3 PROPERTY HELD FOR FUTURE USE	4,858	3,129	243	1,651	1,651	1,651	1,651	1,651	1,651
LESS: 171 & 172 DEP. & AMORT. RESERVES	728,222	551,612	534,699	873,750	917,220	1,179,529	1,463,791	1,586,604	1,747,492
NET TELEPHONE PLANT END OF YEAR(DEC)	$2,483,208	$3,157,491	$3,165,545	$3,365,546	$3,431,075	$3,427,680	$3,562,059	$3,701,502	$3,667,115
PRIMARY STATISTICS									
MILES OF: WIRE IN CABLE	23,059	23,499	23,785	28,183	28,437	28,600	33,067	33,240	33,463
AERIAL WIRE	24	17	19	18	11	10	10	10	11
UNDERGROUND CONDUIT (SINGLE DUCT)	0	0	0	0	0	3	3	5	5
CARRIER CHANNEL(TELEPHONE)	552	552	552	642	300	300	320	320	335
NUMBER OF POLES	260	290	277	277	184	185	186	186	186
NUMBER OF CENTRAL OFFICES	5	5	5	5	5	5	5	3	3
ACCESS LINES(RESIDENTIAL)	0	0	0	0	0	1,530	1,595	1,790	1,888
ACCESS LINES(BUSINESS)	0	0	0	0	0	218	207	205	225
ACCESS LINES(PUBLIC)	0	0	0	0	0	20	21	19	18
ACCESS LINES(TOTAL)	0	0	0	0	0	1,768	1,823	2,014	2,131

TABLE 13.1

BLOCK1: BALANCE SHEET -- ASSETS
AUGUST 18, 1988

13 MASHELL TELEPHONE - TOTAL COMPANY OPERATIONS
BALANCE SHEET - ASSETS AND OTHER DEBITS

		1979	1980	1981	1982	1983	1984	1985	1986	1987
TELEPHONE PLANT										
100.1	TELEPHONE PLANT IN SERVICE	$2,523,410	$3,070,138	$3,199,661	$3,780,288	$3,848,872	$4,186,865	$4,293,040	$4,822,606	$5,240,104
100.2	TELEPHONE PLANT UNDER CONSTRUCTION	5,130	0	20,825	84,351	294,465	44,031	15,155	65,352	0
100.3	PROPERTY HELD FOR FUTURE TELEPHONE USE	0	10,000	11,000	10,000	10,000	10,000	0	0	0
100.4	TELEPHONE PLANT ACQUISITION ADJUSTMENT	0	0	0	0	0	0	0	0	0
171	LESS: DEPRECIATION RESERVE	649,856	626,915	843,648	1,059,727	1,210,591	1,493,357	1,777,606	2,016,888	2,253,992
172	AMORTIZATION RESERVE	0	0	0	0	0	0	0	0	0
	TOTAL NET TELEPHONE PLANT	$1,878,684	$2,453,223	$2,387,838	$2,814,912	$2,942,746	$2,747,539	$2,530,589	$2,871,070	$2,986,112
INVESTMENTS AND FUNDS										
101.1	INVESTMENTS IN AFFILIATED COMPANIES	$0	$0	$0	$0	$0	$0	$0	$0	$0
101.2	ADVANCES TO AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
102	OTHER INVESTMENTS	200,669	273,921	304,695	331,404	412,225	908,301	1,131,393	1,145,673	1,185,336
103	MISCELLANEOUS PHYSICAL PROPERTY	0	0	0	0	0	10,000	0	0	0
104	SINKING FUNDS(EXCLUDING OWN ISSUES)	0	0	0	0	0	0	0	0	0
106	NONREGULATED INVESTMENT	0	0	0	0	0	0	0	0	0
136	PROVIDENT FUNDS(EXCLUDING OWN ISSUES)	0	0	0	0	0	0	0	0	0
	TOTAL INVESTMENTS AND FUNDS	$200,669	$273,921	$304,695	$331,404	$412,225	$918,301	$1,131,393	$1,145,673	$1,185,336
CURRENT ASSETS										
113	CASH	$78,971	$33,641	$138,608	$170,682	$104,316	$76,938	$166,473	$88,458	$120,456
114	SPECIAL CASH DEPOSITS	78,800	33,706	103,767	266,355	301,697	179,898	421,788	380,890	591,816
115	WORKING FUNDS	0	0	0	0	0	0	0	0	0
116	TEMPORARY CASH INVESTMENTS	0	0	0	0	0	0	0	0	0
117.1	NOTES RECEIVABLE FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
117.2	OTHER NOTES RECEIVABLE	0	0	0	0	0	0	0	0	0
118	DUE FROM CUSTOMERS AND AGENTS	56,581	64,299	71,992	66,144	67,406	94,853	105,603	116,222	134,746
120.1	ACCTS RECEIVABLE FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
120.2	OTHER ACCOUNTS RECEIVABLE	27,204	29,800	18,943	36,929	159,725	96,703	55,782	49,848	51,566
121	INTEREST AND DIVIDENDS RECEIVABLE	0	0	0	0	0	0	0	0	0
122	MATERIAL AND SUPPLIES	25,602	21,537	25,770	27,254	44,461	44,110	47,692	53,747	62,897
123	OTHER CURRENT ASSETS	0	0	0	0	0	0	0	0	0
	TOTAL CURRENT ASSETS	$267,158	$182,983	$359,080	$567,364	$677,605	$492,502	$797,338	$689,165	$961,480
PREPAID ACCOUNTS AND DEFERRED CHARGES										
129	PREPAID RENTS	$135	$75	$0	$0	$0	$0	$0	$0	$0
130	PREPAID TAXES	0	0	0	0	0	0	0	0	0
131	PREPAID INSURANCE	5,049	5,769	4,953	4,132	4,702	4,277	5,200	7,519	7,376
132	PREPAID DIRECTORY EXPENSESS	0	0	0	0	0	0	0	0	0
133	OTHER PREPAYMENTS	0	0	0	0	0	0	0	0	0
135	DISCOUNT ON LONG-TERM DEBT	2,905	2,767	2,629	2,491	2,353	2,216	2,078	1,940	1,802
138	EXTRAORDINARY MAINTENANCE & RETIREMENTS	0	0	0	0	0	65,364	32,682	0	0
139	OTHER DEFERRED CHARGES	0	0	0	0	0	0	0	0	0
	TOTAL PREPAID ACCOUNTS & DEFERRED CHARGES	$8,089	$8,611	$7,582	$6,623	$7,055	$71,857	$39,960	$9,459	$9,178
	TOTAL ASSETS AND OTHER DEBITS	$2,354,600	$2,918,738	$3,059,195	$3,720,303	$4,039,631	$4,230,199	$4,499,280	$4,715,367	$5,142,107

TABLE 13.2

BLOCK 2: BALANCE SHEET -- LIABILITIES
AUGUST 18, 1988

13 MASHELL TELEPHONE - TOTAL COMPANY OPERATIONS
BALANCE SHEET - LIABILITIES AND OTHER CREDITS

		1979	1980	1981	1982	1983	1984	1985	1986	1987
STOCKHOLDERS EQUITY										
150	CAPITAL STOCK (ACTUALLY OUTSTANDING)	$32,050	$32,050	$32,050	$32,050	$32,050	$32,050	$32,050	$32,050	$32,050
152	PREMIUM ON CAPITAL STOCK	0	0	0	0	0	0	0	0	0
179	OTHER CAPITAL	999	999	999	999	999	999	999	999	999
180	RETAINED EARNINGS RESERVED	0	0	0	0	0	0	0	0	0
181	UNAPPROPRIATED RETAINED EARNINGS	653,573	780,925	803,371	1,005,106	1,177,953	1,343,207	1,453,893	1,618,082	1,849,743
134.1	LESS: DISCOUNT ON CAPITAL STOCK	0	0	0	0	0	0	0	0	0
134.2	CAPITAL STOCK EXPENSE	0	0	0	0	0	0	0	0	0
	TOTAL NET STOCKHOLDERS' EQUITY	$686,622	$813,974	$836,420	$1,038,155	$1,211,002	$1,376,256	$1,486,942	$1,651,131	$1,882,792
LONG-TERM DEBT										
154.1	FUNDED DEBT	$1,270,219	$1,580,982	$1,758,697	$2,090,002	$2,052,866	$2,261,490	$2,237,829	$2,191,263	$2,466,856
156	ADVANCES FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
157	OTHER LONG-TERM DEBT	0	0	0	0	0	0	0	0	0
	TOTAL LONG-TERM DEBT	$1,270,219	$1,580,982	$1,758,697	$2,090,002	$2,052,866	$2,261,490	$2,237,829	$2,191,263	$2,466,856
CURRENT AND ACCRUED LIABILITIES										
158.1	NOTES PAYABLE TO AFFILIATED COMPANIES	$0	$0	$0	$0	$0	$0	$0	$0	$0
158.2	OTHER NOTES PAYABLE	0	0	0	0	0	0	0	0	0
159.1	ACCOUNTS PAYABLE TO AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
159.2	OTHER ACCOUNTS PAYABLE	128,535	192,587	137,159	147,861	318,272	54,561	147,965	200,202	199,022
160	CUSTOMERS' DEPOSITS	0	35	2,916	2,150	1,780	2,060	2,100	1,805	2,520
162	MATURED INTEREST AND DIVIDENDS	0	0	0	0	0	0	0	0	0
163	MATURED LONG-TERM DEBT	0	0	0	0	0	0	0	0	0
164	ADVANCE BILLING AND PAYMENTS	0	0	0	0	0	0	0	0	0
165	OTHER CURRENT LIABILITIES	21,403	13,927	16,158	17,803	18,323	13,311	16,798	17,506	22,280
166	TAXES ACCRUED	3,228	32,955	29,370	45,527	7,804	25,001	84,538	131,105	49,779
167	UNMATURED INTEREST, DIV. & RENTS ACCRUED	13,218	17,078	19,427	23,540	23,311	26,381	27,329	25,191	24,421
	TOTAL CURRENT AND ACCRUED LIABILITIES	$166,384	$256,582	$205,030	$236,881	$369,490	$121,314	$278,730	$375,809	$298,022
DEFERRED CREDITS AND OPERATING RESERVES										
168	PREMIUM ON LONG-TERM DEBT	$0	$0	$0	$0	$0	$0	$0	$0	$0
169	INSURANCE RESERVES	0	0	0	0	0	0	0	0	0
170	PROVIDENT RESERVES	0	2,400	7,310	15,054	24,615	35,150	46,430	58,223	72,716
174	OTHER DEFERRED CREDITS	125,466	127,754	112,578	193,672	209,791	232,490	214,383	176,805	148,815
176.1	ACCUM.DEFERRED INCOME TAXES-ACC. TAX DEP.	98,939	125,718	126,035	127,111	145,469	169,431	192,460	210,753	187,584
176.2	ACCUM.DEFERRED INCOME TAXES - OTHER	6,969	11,328	13,125	19,428	26,398	34,068	42,506	51,383	85,321
	TOTAL DEFERRED CREDITS & OPERATING RESERVES	$231,374	$267,200	$259,048	$355,265	$406,273	$471,139	$495,779	$497,164	$494,436
	TOTAL LIABILITIES AND OTHER CREDITS	$2,354,599	$2,918,738	$3,059,195	$3,720,303	$4,039,631	$4,230,199	$4,499,280	$4,715,367	$5,142,107

TABLE 13.3

BLOCK 3:
AUGUST 18, 1988

13 MASHELL TELEPHONE - TOTAL COMPANY OPERATIONS
INCOME AND RETAINED EARNINGS STATEMENT

	1979	1980	1981	1982	1983	1984	1985	1986	1987
NET INCOME									
NET OPERATING INCOME -WASHINGTON	$153,447	$198,058	$109,006	$293,538	$278,707	$286,231	$234,589	$267,966	$349,360
-OTHER STATES	0	0	0	0	0	0	0	0	0
TOTAL NET OPERATING INCOME	$153,447	$198,058	$109,006	$293,538	$278,707	$286,231	$234,589	$267,966	$349,360
INTEREST CHARGED TO CONSTRUCTION	0	0	0	0	0	0	0	0	0
OTHER INCOME	16,914	27,756	31,483	44,827	41,277	40,189	40,809	57,451	52,389
MISCELLANEOUS DEDUCTIONS FROM INCOME	3,645	5,618	2,917	8,132	7,933	7,670	8,903	9,127	(4,153)
INTEREST ON FUNDED DEBT	72,746	85,571	107,607	119,115	131,685	145,555	146,654	144,640	163,675
OTHER FIXED CHARGES	3,427	3,430	3,676	5,540	3,676	4,098	5,312	3,617	2,880
EXTRAORDINARY/DELAYED ITEMS BEFORE TAX EFFECT	0	0	0	0	0	0	0	0	0
INCOME TAX EFFECT OF EXTRAORDINARY/DELAYED ITEMS	0	0	0	0	0	0	0	0	0
NET INCOME	$90,543	$131,195	$26,289	$205,578	$176,690	$169,097	$114,529	$168,033	$239,348
RETAINED EARNINGS (ACCOUNT 181)									
BALANCE AT BEGINNING OF YEAR	$566,873	$653,573	$780,925	$803,371	$1,005,106	$1,177,953	$1,343,207	$1,453,893	$1,618,082
CREDITS: NET INCOME(AS ABOVE)	$90,543	$131,195	$26,289	$205,578	$176,690	$169,097	$114,529	$168,032	$239,348
OTHER CREDITS	0	0	0	0	0	0	0	0	0
TOTAL CREDITS	$90,543	$131,195	$26,289	$205,578	$176,690	$169,097	$114,529	$168,032	$239,348
DEBITS: DIVIDEND APPROPRIATIONS	$3,843	$3,843	$3,843	$3,843	$3,843	$3,843	$3,843	$3,843	$7,686
OTHER DEBITS	0	0	0	0	0	0	0	0	0
TOTAL DEBITS	$3,843	$3,843	$3,843	$3,843	$3,843	$3,843	$3,843	$3,843	$7,686
BALANCE AT END OF YEAR	$653,573	$780,925	$803,371	$1,005,106	$1,177,953	$1,343,207	$1,453,893	$1,618,082	$1,849,743

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TABLE 13.4

BLOCK 4:
AUGUST 18, 1988

13 MASHELL TELEPHONE - TOTAL COMPANY OPERATIONS
NET OPERATING INCOME AND PLANT STATISTICS

	1979	1980	1981	1982	1983	1984	1985	1986	1987
OPERATING REVENUES									
LOCAL SERVICE	$159,541	$171,396	$178,505	$211,604	$225,573	$249,096	$244,787	$267,465	$305,427
ACCESS REVENUES	0	0	0	0	0	1,034,059	1,061,750	1,076,056	1,176,121
TOLL SERVICE	590,652	692,874	709,316	1,040,934	1,002,953	20,794	(15,255)	29,904	(12,456)
MISCELLANEOUS	15,190	23,480	26,211	29,439	34,016	53,221	65,486	52,200	120,587
UNCOLLECTIBLES - DEBIT	4,745	265	2,578	(1,237)	287	5,032	2,287	3,854	(4,344)
TOTAL OPERATING REVENUES	$760,638	$887,485	$911,454	$1,283,214	$1,262,255	$1,352,138	$1,354,481	$1,421,771	$1,594,023
OPERATING REVENUE EXPENSES									
MAINTENANCE	$91,609	$95,933	$132,810	$149,909	$165,662	$183,800	$174,232	$181,832	$211,050
DEPRECIATION AND AMORTIZATION	136,325	149,967	228,736	246,032	269,092	314,943	326,399	330,837	324,415
TRAFFIC	10,636	9,474	7,284	5,881	3,264	3,502	4,512	1,645	4,599
COMMERCIAL	48,879	54,301	48,024	41,959	57,870	48,973	35,703	50,710	65,857
ACCESS EXPENSES	0	0	0	0	0	0	0	0	0
GENERAL OFFICE	141,324	159,165	189,741	223,513	247,452	230,656	234,886	233,830	241,341
OTHER OPERATING EXPENSES	97,317	109,260	142,239	146,620	148,043	154,933	191,709	172,672	230,062
TOTAL OPERATING REVENUE EXPENSES	$526,090	$578,100	$748,834	$813,914	$891,383	$936,807	$967,432	$977,526	$1,077,325
INVESTMENT CREDIT - NET	$485	$19,118	($13,495)	$77,544	$15,969	$9,459	($30,684)	($27,793)	($27,760)
FEDERAL INCOME TAXES	159	2,156	(176)	15,486	3,038	30,382	87,608	123,159	106,329
OTHER OPERATING TAXES	65,650	65,273	66,968	81,656	54,800	65,297	62,507	68,620	73,847
OPERATING FED.INCOME TAX DEFER - ACC.DEP	14,830	26,779	517	1,076	18,358	23,962	23,029	18,293	14,922
OPER.FED. INCOME TAX DEFER - OTHER	0	0	0	0	0	0	0	0	0
INC. CREDITS FROM PRIOR FED. TAXES	0	0	0	0	0	0	0	0	0
TOTAL OPERATING TAXES	$81,100	$111,326	$53,614	$175,762	$92,165	$129,100	$152,460	$182,279	$167,338
TOTAL OPERATING DEDUCTIONS	$607,190	$689,426	$802,448	$989,676	$983,548	$1,065,907	$1,119,892	$1,159,805	$1,244,663
NET OPERATING INCOME	$153,448	$198,059	$109,006	$293,538	$278,707	$286,231	$234,589	$261,966	$349,360
100.1 TELEPHONE PLANT IN SERVICE	$2,523,415	$3,070,158	$3,199,661	$3,780,289	$3,848,672	$4,186,865	$4,293,040	$4,422,606	$5,240,104
100.3 PROPERTY HELD FOR FUTURE USE	0	10,200	11,000	10,000	10,000	10,000	0	0	0
LESS: 171 & 172 DEP. & AMORT. RESERVES	649,858	626,935	843,648	1,059,727	1,210,591	1,493,157	1,777,606	2,016,868	2,253,992
NET TELEPHONE PLANT END OF YEAR(EOY)	$1,873,556	$2,453,223	$2,367,013	$2,730,562	$2,648,281	$2,703,708	$2,515,434	$2,405,738	$2,986,112
PRIMARY STATISTICS									
MILES OF: WIRE IN CABLE	8,202	8,649	8,956	9,185	10,612	10,613	10,617	11,387	11,445
AERIAL WIRE	0	0	0	0	0	0	0	0	0
UNDERGROUND CONDUIT-(SINGLE DUCT)	1	1	1	1	1	1	1	1	1
CARRIER CHANNEL(TELEPHONE)	533	1,049	1,049	1,620	1,620	1,620	1,620	1,620	1,620
NUMBER OF POLES	733	708	682	1,021	1,015	1,021	1,027	1,010	1,025
NUMBER OF CENTRAL OFFICES	2	2	2	2	2	2	2	2	2
ACCESS LINES(RESIDENTIAL)	0	0	0	0	0	1,974	1,310	1,359	1,419
ACCESS LINES(BUSINESS)	0	0	0	0	0	241	244	260	283
ACCESS LINES(PUBLIC)	0	0	0	0	0	12	12	13	14
ACCESS LINES(TOTAL)	0	0	0	0	0	2,227	1,566	1,632	1,716

TABLE 14.1

BLOCK1: BALANCE SHEET -- ASSETS
AUGUST 19, 1988

14 MCDANIEL TELEPHONE - TOTAL COMPANY OPERATIONS
BALANCE SHEET - ASSETS AND OTHER DEBITS

		1979	1980	1981	1982	1983	1984	1985	1986	1987
TELEPHONE PLANT										
100.1	TELEPHONE PLANT IN SERVICE	$1,873,911	$2,088,695	$2,255,862	$2,590,616	$2,895,982	$3,164,764	$3,385,856	$3,674,498	$3,698,997
100.2	TELEPHONE PLANT UNDER CONSTRUCTION	0	3,218	0	0	0	0	0	0	0
100.3	PROPERTY HELD FOR FUTURE TELEPHONE USE	0	0	0	0	0	0	0	0	0
100.4	TELEPHONE PLANT ACQUISITION ADJUSTMENT	0	0	0	0	0	0	0	0	0
171	LESS: DEPRECIATION RESERVE	742,600	835,010	934,912	1,059,839	1,205,661	1,350,702	1,519,299	1,712,535	1,665,162
172	AMORTIZATION RESERVE	0	0	0	0	0	0	0	0	0
	TOTAL NET TELEPHONE PLANT	$1,131,311	$1,256,903	$1,320,950	$1,530,777	$1,690,321	$1,814,062	$1,866,557	$1,961,963	$2,033,835
INVESTMENTS AND FUNDS										
101.1	INVESTMENTS IN AFFILIATED COMPANIES	$0	$0	$0	$0	$0	$0	$0	$0	$0
101.2	ADVANCES TO AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
102	OTHER INVESTMENTS	7,113	7,253	7,550	7,701	0	32,380	32,380	32,380	17,380
103	MISCELLANEOUS PHYSICAL PROPERTY	0	0	0	0	0	0	0	0	0
104	SINKING FUNDS(EXCLUDING OWN ISSUES)	0	0	0	0	0	0	0	0	0
106	NONREGULATED INVESTMENT	0	0	0	0	0	0	0	0	49,042
136	PROVIDENT FUNDS(EXCLUDING OWN ISSUES)	0	0	0	0	0	0	0	0	0
	TOTAL INVESTMENTS AND FUNDS	$7,113	$7,253	$7,550	$7,701	$0	$32,380	$32,380	$32,380	$66,422
CURRENT ASSETS										
113	CASH	$39,052	$32,581	$46,154	$64,941	$131,468	$113,687	$100,388	$82,763	$134,463
114	SPECIAL CASH DEPOSITS	0	0	0	0	0	0	0	0	0
115	WORKING FUNDS	153	153	153	153	153	153	153	153	153
116	TEMPORARY CASH INVESTMENTS	91,269	41,996	119,475	47,135	49,789	153,961	400,032	441,773	572,232
117.1	NOTES RECEIVABLE FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
117.2	OTHER NOTES RECEIVABLE	0	0	0	0	0	0	0	0	0
118	DUE FROM CUSTOMERS AND AGENTS	66,539	74,924	83,497	75,724	92,203	100,556	114,913	127,374	143,311
120.1	ACCTS RECEIVABLE FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
120.2	OTHER ACCOUNTS RECEIVABLE	0	0	0	0	0	237	0	0	0
121	INTEREST AND DIVIDENDS RECEIVABLE	0	0	0	0	0	0	0	0	0
122	MATERIAL AND SUPPLIES	10,485	15,909	14,614	16,891	7,666	9,359	6,279	5,615	5,499
123	OTHER CURRENT ASSETS	0	0	0	0	0	0	0	0	0
	TOTAL CURRENT ASSETS	$207,498	$165,563	$263,893	$204,844	$281,279	$377,953	$621,765	$657,678	$855,658
PREPAID ACCOUNTS AND DEFERRED CHARGES										
129	PREPAID RENTS	$0	$0	$0	$0	$0	$0	$0	$0	$0
130	PREPAID TAXES	0	15,807	0	0	0	0	0	0	0
131	PREPAID INSURANCE	2,754	3,350	2,981	3,260	2,206	2,809	3,635	5,706	5,452
132	PREPAID DIRECTORY EXPENSESS	0	0	0	0	0	0	0	0	0
133	OTHER PREPAYMENTS	1,457	1,717	0	0	0	0	0	126,000	100,080
135	DISCOUNT ON LONG-TERM DEBT	1,150	1,035	920	805	690	565	450	335	221
138	EXTRAORDINARY MAINTENANCE & RETIREMENTS	0	0	0	0	0	0	0	0	0
139	OTHER DEFERRED CHARGES	0	0	0	0	0	0	0	0	0
	TOTAL PREPAID ACCOUNTS & DEFERRED CHARGES	$5,361	$21,909	$3,901	$4,065	$2,896	$3,374	$4,085	$132,041	$105,753
	TOTAL ASSETS AND OTHER DEBITS	$1,351,283	$1,451,628	$1,596,294	$1,747,387	$1,974,496	$2,227,769	$2,524,787	$2,784,062	$3,061,668

TABLE 14.2

BLOCK 2: BALANCE SHEET -- LIABILITIES
AUGUST 19, 1988

14 MCDANIEL TELEPHONE - TOTAL COMPANY OPERATIONS
BALANCE SHEET - LIABILITIES AND OTHER CREDITS

		1979	1980	1981	1982	1983	1984	1985	1986	1987
STOCKHOLDERS EQUITY										
150	CAPITAL STOCK (ACTUALLY OUTSTANDING)	$39,300	$39,300	$39,300	$39,300	$39,300	$39,300	$39,300	$26,200	$26,200
152	PREMIUM ON CAPITAL STOCK	0	0	0	0	0	0	0	0	0
179	OTHER CAPITAL	37	37	37	37	37	37	37	0	0
180	RETAINED EARNINGS RESERVED	116,425	116,425	116,425	116,424	116,425	116,424	116,425	116,425	116,425
181	UNAPPROPRIATED RETAINED EARNINGS	854,442	940,008	1,055,618	1,192,782	1,382,840	1,600,781	1,848,368	1,617,444	1,929,451
134.1	LESS: DISCOUNT ON CAPITAL STOCK	0	0	0	0	0	0	0	0	0
134.2	CAPITAL STOCK EXPENSE	0	0	0	0	0	0	0	0	0
	TOTAL NET STOCKHOLDERS' EQUITY	$1,010,204	$1,095,770	$1,211,380	$1,348,543	$1,538,602	$1,756,542	$2,004,129	$1,760,069	$2,072,076
LONG-TERM DEBT										
154.1	FUNDED DEBT	$142,167	$129,907	$117,399	$104,635	$91,616	$78,334	$64,784	$50,961	$36,861
156	ADVANCES FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
157	OTHER LONG-TERM DEBT	0	0	0	0	0	0	0	488,000	427,000
	TOTAL LONG-TERM DEBT	$142,167	$129,907	$117,399	$104,635	$91,616	$78,334	$64,784	$538,961	$463,861
CURRENT AND ACCRUED LIABILITIES										
158.1	NOTES PAYABLE TO AFFILIATED COMPANIES	$0	$0	$0	$0	$0	$0	$0	$0	$0
158.2	OTHER NOTES PAYABLE	0	0	0	0	0	0	0	0	0
159.1	ACCOUNTS PAYABLE TO AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
159.2	OTHER ACCOUNTS PAYABLE	29,459	31,888	39,225	53,167	47,342	27,677	54,950	45,522	68,566
160	CUSTOMERS' DEPOSITS	4,095	3,492	3,817	4,481	6,500	5,629	5,538	6,157	5,402
162	MATURED INTEREST AND DIVIDENDS	5,750	5,750	5,750	5,750	5,750	5,750	0	0	0
163	MATURED LONG-TERM DEBT	0	0	0	0	0	0	0	0	0
164	ADVANCE BILLING AND PAYMENTS	0	0	0	0	0	0	0	0	0
165	OTHER CURRENT LIABILITIES	0	0	0	0	0	0	0	0	0
166	TAXES ACCRUED	18,405	13,258	26,441	11,927	22,758	44,027	35,143	39,677	70,510
167	UNMATURED INTEREST, DIV. & RENTS ACCRUED	6,245	5,678	5,111	4,544	3,977	3,410	2,843	2,276	1,709
	TOTAL CURRENT AND ACCRUED LIABILITIES	$63,954	$60,066	$80,344	$79,869	$86,327	$86,493	$98,474	$93,632	$146,187
DEFERRED CREDITS AND OPERATING RESERVES										
168	PREMIUM ON LONG-TERM DEBT	$0	$0	$0	$0	$0	$0	$0	$0	$0
169	INSURANCE RESERVES	0	0	0	0	0	0	0	0	0
170	PROVIDENT RESERVES	0	0	0	0	0	0	0	0	0
174	OTHER DEFERRED CREDITS	75,187	90,864	101,111	101,153	106,999	116,315	125,315	113,315	101,315
176.1	ACCUM.DEFERRED INCOME TAXES-ACC. TAX DEP.	59,771	75,022	86,062	113,187	150,952	190,085	232,085	278,085	278,229
176.2	ACCUM.DEFERRED INCOME TAXES - OTHER	0	0	0	0	0	0	0	0	0
	TOTAL DEFERRED CREDITS & OPERATING RESERVES	$134,958	$165,886	$187,173	$214,340	$257,951	$306,400	$357,400	$391,400	$379,544
	TOTAL LIABILITIES AND OTHER CREDITS	$1,351,283	$1,451,629	$1,596,296	$1,747,387	$1,974,496	$2,227,769	$2,524,787	$2,784,062	$3,061,668

TABLE 14.3

BLOCK 3:
AUGUST 19, 1988

14 MCDANIEL TELEPHONE - TOTAL COMPANY OPERATIONS
INCOME AND RETAINED EARNINGS STATEMENT

	1979	1980	1981	1982	1983	1984	1985	1986	1987
NET INCOME									
NET OPERATING INCOME -WASHINGTON	$129,719	$85,028	$112,207	$131,226	$173,800	$209,352	$230,059	$188,044	$246,069
-OTHER STATES	0	0	0	0	0	0	0	0	0
TOTAL NET OPERATING INCOME	$129,719	$85,028	$112,207	$131,226	$173,800	$209,352	$230,059	$188,044	$246,069
INTEREST CHARGED TO CONSTRUCTION	0	0	0	0	0	0	0	0	0
OTHER INCOME	4,827	3,898	6,657	8,782	4,476	10,766	19,730	32,347	93,634
MISCELLANEOUS DEDUCTIONS FROM INCOME	159	497	636	485	0	0	0	579	209
INTEREST ON FUNDED DEBT	2,987	2,749	2,502	2,245	1,991	1,727	1,369	1,167	909
OTHER FIXED CHARGES	115	115	115	115	115	451	832	705	26,578
EXTRAORDINARY/DELAYED ITEMS BEFORE TAX EFFECT	0	0	0	0	13,888	0	0	0	0
INCOME TAX EFFECT OF EXTRAORDINARY/DELAYED ITEMS	0	0	0	0	0	0	0	0	0
NET INCOME	$131,285	$85,565	$115,611	$137,163	$190,058	$217,940	$247,587	$217,940	$312,007
RETAINED EARNINGS (ACCOUNT 181)									
BALANCE AT BEGINNING OF YEAR	$723,157	$854,442	$940,007	$1,055,618	$1,192,782	$1,382,841	$1,600,781	$1,848,368	$1,617,444
CREDITS: NET INCOME(AS ABOVE)	$131,285	$85,565	$115,611	$137,164	$190,059	$217,940	$247,587	$217,940	$312,007
OTHER CREDITS	0	0	0	0	0	0	0	0	0
TOTAL CREDITS	$131,285	$85,565	$115,611	$137,164	$190,059	$217,940	$247,587	$217,940	$312,007
DEBITS: DIVIDEND APPROPRIATIONS	$0	$0	$0	$0	$0	$0	$0	$448,864	$0
OTHER DEBITS	0	0	0	0	0	0	0	0	0
TOTAL DEBITS	$0	$0	$0	$0	$0	$0	$0	$448,864	$0
BALANCE AT END OF YEAR	$854,442	$940,007	$1,055,618	$1,192,782	$1,382,841	$1,600,781	$1,848,368	$1,617,444	$1,929,451

TABLE 14.4

BLOCK 4:
AUGUST 19, 1988

14 MCDANIEL TELEPHONE - TOTAL COMPANY OPERATIONS
NET OPERATING INCOME AND PLANT STATISTICS

	1979	1980	1981	1982	1983	1984	1985	1986	1987
OPERATING REVENUES									
LOCAL SERVICE	$167,266	$191,203	$218,262	$230,040	$250,559	$264,456	$258,543	$291,571	$226,388
ACCESS REVENUES	0	0	0	0	0	0	704,047	731,196	795,303
TOLL SERVICE	339,215	367,309	389,510	516,527	620,367	699,941	0	(1,065)	6,998
MISCELLANEOUS	33,387	22,169	30,094	35,433	25,524	54,773	112,630	94,652	138,382
UNCOLLECTIBLES - DEBIT	2,944	3,874	4,652	10,105	5,621	14,392	8,365	10,661	5,260
TOTAL OPERATING REVENUES	$536,924	$576,807	$633,214	$771,895	$890,829	$1,004,778	$1,066,855	$1,105,693	$1,161,811
OPERATING REVENUE EXPENSES									
MAINTENANCE	$97,473	$118,896	$125,849	$150,328	$183,659	$190,784	$201,594	$139,128	$153,367
DEPRECIATION AND AMORTIZATION	71,004	84,869	103,202	117,263	140,956	135,707	156,597	158,916	127,128
TRAFFIC	3,597	3,533	3,505	5,776	4,378	4,931	23,756	22,889	20,769
COMMERCIAL	409	264	3,835	0	0	5,638	3,617	86,653	98,207
ACCESS EXPENSES	0	0	0	0	0	0	0	0	0
GENERAL OFFICE	110,762	125,472	132,461	174,903	194,712	212,511	196,045	218,915	255,831
OTHER OPERATING EXPENSES	30,149	55,962	57,569	60,680	69,961	85,460	75,732	108,018	105,886
TOTAL OPERATING REVENUE EXPENSES	$313,394	$388,996	$426,421	$508,950	$593,666	$635,031	$657,341	$734,519	$761,188
INVESTMENT CREDIT - NET	$16,123	$15,677	$10,247	$32,666	$5,846	$9,316	$9,000	($12,000)	($12,000)
FEDERAL INCOME TAXES	26,115	32,457	28,320	15,394	20,492	75,996	79,000	96,590	113,046
OTHER OPERATING TAXES	37,651	39,397	44,980	56,491	59,260	35,950	49,455	52,540	53,363
OPERATING FED.INCOME TAX DEFER - ACC.DEP	13,924	15,251	11,040	27,167	37,765	39,133	42,000	46,000	145
OPER.FED. INCOME TAX DEFER - OTHER	0	0	0	0	0	0	0	0	0
INC. CREDITS FROM PRIOR FED. TAXES	0	0	0	0	0	0	0	0	0
TOTAL OPERATING TAXES	$93,813	$102,782	$94,587	$131,718	$123,363	$160,395	$179,455	$183,130	$154,554
TOTAL OPERATING REV DEDUCTIONS	$407,207	$491,778	$521,008	$640,668	$717,029	$795,426	$836,796	$917,649	$915,742
NET OPERATING INCOME	$129,717	$85,029	$112,206	$131,227	$173,800	$209,352	$230,059	$188,044	$246,069
100.1 TELEPHONE PLANT IN SERVICE	$1,873,911	$2,088,695	$2,255,862	$2,590,616	$2,895,982	$3,164,764	$3,385,856	$3,674,498	$3,698,997
100.3 PROPERTY HELD FOR FUTURE USE	0	0	0	0	0	0	0	0	0
LESS: 171 & 172 DEP. & AMORT. RESERVES	742,600	835,010	934,912	1,059,839	1,205,661	1,350,702	1,519,299	1,712,535	1,665,162
NET TELEPHONE PLANT END OF YEAR(DEC)	$1,131,311	$1,253,685	$1,320,950	$1,530,777	$1,690,321	$1,814,062	$1,866,557	$1,961,963	$2,033,835
PRIMARY STATISTICS									
MILES OF: WIRE IN CABLE	4,995	4,995	5,234	5,258	5,258	5,608	5,758	8,208	10,066
AERIAL WIRE	141	141	120	102	75	75	75	75	80
UNDERGROUND CONDUIT (SINGLE DUCT)	0	0	0	0	0	0	0	0	0
CARRIER CHANNEL(TELEPHONE)	0	0	0	0	0	0	0	0	0
NUMBER OF POLES	2,350	2,350	2,305	2,164	2,149	2,024	2,000	2,000	2,100
NUMBER OF CENTRAL OFFICES	3	3	3	3	3	3	3	3	3
ACCESS LINES(RESIDENTIAL)	0	0	0	0	0	1,233	1,320	1,435	1,549
ACCESS LINES(BUSINESS)	0	0	0	0	0	240	240	285	288
ACCESS LINES(PUBLIC)	0	0	0	0	0	19	20	21	20
ACCESS LINES(TOTAL)	0	0	0	0	0	1,492	1,580	1,741	1,857

TABLE 15.1

BLOCK1: BALANCE SHEET -- ASSETS(TOT.COMPANY)
JULY 27, 1988

15 PACIFIC NORTHWEST BELL - TOTAL COMPANY OPERATIONS
BALANCE SHEET - ASSETS AND OTHER DEBITS

		1979	1980	1981	1982	1983	1984	1985	1986	1987
TELEPHONE PLANT										
100.1	TELEPHONE PLANT IN SERVICE	$3,182,538,128	$3,593,609,033	$3,947,540,166	$4,270,695,861	$4,483,670,305	$4,071,112,005	$4,335,332,689	$4,604,582,753	$4,787,734,089
100.2	TELEPHONE PLANT UNDER CONSTRUCTION	138,640,548	134,340,826	178,843,049	115,327,808	73,855,243	121,636,917	128,259,572	55,375,346	56,200,609
100.3	PROPERTY HELD FOR FUTURE TELEPHONE USE	1,013,431	934,439	860,014	107,117	196,421	115,756	39,933	105,404	139,062
100.4	TELEPHONE PLANT ACQUISITION ADJUSTMENT	0	0	0	0	0	0	0	2,745,906	2,745,906
171	LESS: DEPRECIATION RESERVE	573,327,916	614,655,585	671,338,970	754,329,870	921,379,204	926,340,028	1,107,376,428	1,253,981,161	1,439,271,034
172	AMORTIZATION RESERVE	3,600	0	0	0	0	0	0	0	0
TOTAL NET TELEPHONE PLANT		$2,748,860,591	$3,114,228,713	$3,455,904,259	$3,631,800,916	$3,636,342,765	$3,266,524,650	$3,356,255,766	$3,408,828,248	$3,407,548,632
INVESTMENTS AND FUNDS										
101.1	INVESTMENTS IN AFFILIATED COMPANIES	$0	$0	$0	$0	$2,000	$2,937,879	$5,205,693	$5,007,401	$0
101.2	ADVANCES TO AFFILIATED COMPANIES	45	45	0	0	0	0	0	0	0
102	OTHER INVESTMENTS	95,733	323,758	228,297	244,579	92,367	6,616,310	6,790,919	7,054,175	6,755,559
103	MISCELLANEOUS PHYSICAL PROPERTY	3,188,214	3,547,942	3,678,065	5,096,753	6,761,690	6,195,462	7,411,864	7,377,356	7,026,009
104	SINKING FUNDS(EXCLUDING OWN ISSUES)	0	0	0	0	0	0	0	0	
106	NONREGULATED INVESTMENT	0	0	0	0	0	0	14,058	10,287	(428,753)
136	PROVIDENT FUNDS(EXCLUDING OWN ISSUES) (1)	0	0	0	0	0	0	0	0	12,161,917
TOTAL INVESTMENTS AND FUNDS		$3,283,992	$3,871,745	$3,906,362	$5,341,332	$6,856,057	$15,749,651	$19,422,534	$19,449,219	$25,514,732
CURRENT ASSETS										
113	CASH	$5,918,726	$5,888,249	$6,290,907	$4,811,217	$4,921,704	$3,297,427	$5,584,324	$7,938,844	$6,637,651
114	SPECIAL CASH DEPOSITS	19,542	19,389	18,532	18,820	777,935	11,465	9,982	0	0
115	WORKING FUNDS	643,369	637,982	718,906	611,132	492,670	203,677	409,642	189,826	166,050
116	TEMPORARY CASH INVESTMENTS	0	0	1,200,000	0	4,400,000	59,180,683	52,500,000	10,000,000	47,350,000
117.1	NOTES RECEIVABLE FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
117.2	OTHER NOTES RECEIVABLE	0	0	0	0	8,809	0	0	0	0
118	DUE FROM CUSTOMERS AND AGENTS	141,551,793	165,253,130	205,461,609	208,614,294	234,919,629	207,383,948	214,704,091	172,171,904	179,289,639
120.1	ACCTS RECEIVABLE FROM AFFILIATED COMPANIES	1,532,097	2,749,479	6,463,968	2,460,273	18,128,283	13,165,158	7,713,305	9,661,455	7,504,980
120.2	OTHER ACCOUNTS RECEIVABLE	26,269,440	32,254,305	32,947,000	6,317,990	17,482,876	109,494,830	97,127,581	104,446,153	89,428,428
121	INTEREST AND DIVIDENDS RECEIVABLE	0	0	0	0	2,444	288,948	227,055	10,000	146,683
122	MATERIAL AND SUPPLIES	30,497,459	34,554,390	32,716,125	37,507,710	40,303,888	39,525,427	40,333,102	35,609,119	30,783,654
123	OTHER CURRENT ASSETS	355,943	1,089,220	369,172	242,609	289,682	202,610	256,224	770,756	(228,037)
TOTAL CURRENT ASSETS		$206,788,369	$242,446,144	$286,186,219	$260,584,045	$321,727,920	$432,754,173	$418,865,306	$340,798,057	$381,079,048
PREPAID ACCOUNTS AND DEFERRED CHARGES										
129	PREPAID RENTS	$1,006,218	$123,834	$1,279,521	$1,474,748	$933,274	$784,767	$782,504	$904,689	$3,452,270
130	PREPAID TAXES	246,746	219,849	218,268	72,412	197,598	174,478	32,084	46,930	27,877
131	PREPAID INSURANCE	27,840	32,238	58,745	33,037	35,463	139,312	501,132	661,830	737,798
132	PREPAID DIRECTORY EXPENSESS	23,231,684	27,043,055	31,180,805	33,080,619	36,622,874	0	0	0	0
133	OTHER PREPAYMENTS	1,406,006	2,358,756	1,421,503	1,320,912	769,923	1,032,063	130,462	236,353	322,718
135	DISCOUNT ON LONG-TERM DEBT	5,843,191	8,179,322	7,949,433	7,719,547	7,489,661	7,259,774	7,029,887	32,575,137	30,705,030
138	EXTRAORDINARY MAINTENANCE & RETIREMENTS	0	0	0	0	0	0	0	0	0
139	OTHER DEFERRED CHARGES	12,564,401	11,015,423	7,070,993	6,953,755	8,247,122	6,226,074	10,218,137	25,770,050	30,300,867
TOTAL PREPAID ACCOUNTS & DEFERRED CHARGES		$44,326,086	$48,972,477	$49,179,268	$50,655,030	$54,295,915	$15,616,468	$18,694,206	$60,194,989	$65,546,560
TOTAL ASSETS AND OTHER DEBITS		$3,003,259,038	$3,409,519,079	$3,795,176,108	$3,948,381,323	$4,019,222,657	$3,730,644,942	$3,813,237,812	$3,829,270,513	$3,879,688,972

(1) INCLUDES ACCOUNT 137-INSURANCE AND OTHER FUNDS IN THE AMOUNT OF $12,161,917 FOR 1987.

TABLE 15.2

BLOCK 2: BALANCE SHEET--LIABILITIES(TOT.COMPANY)
JULY 27, 1988

15 PACIFIC NORTHWEST BELL - TOTAL COMPANY OPERATIONS
BALANCE SHEET - LIABILITIES AND OTHER CREDITS

		1979	1980	1981	1982	1983	1984	1985	1986	1987
STOCKHOLDERS EQUITY										
150	CAPITAL STOCK (ACTUALLY OUTSTANDING)	$661,577,345	$800,322,491	$1,205,083,041	$1,209,437,865	$1,243,364,266	$997,161,697	$1,002,182,445	$994,027,445	$1,049,283,494
152	PREMIUM ON CAPITAL STOCK	134,460,051	0	0	0	0	0	0	0	0
179	OTHER CAPITAL	0	0	0	0	0	0	0	0	0
180	RETAINED EARNINGS RESERVED	0	0	0	0	0	0	0	0	0
181	UNAPPROPRIATED RETAINED EARNINGS	418,169,294	466,884,108	513,696,703	543,541,974	554,934,138	431,868,595	428,110,925	396,451,842	390,282,426
134.1	LESS: DISCOUNT ON CAPITAL STOCK	0	0	0	0	0	0	0	0	0
134.2	CAPITAL STOCK EXPENSE	0	0	0	0	0	0	0	0	0
	TOTAL NET STOCKHOLDERS' EQUITY	$1,214,206,690	$1,267,206,599	$1,718,779,744	$1,752,979,839	$1,768,298,404	$1,429,030,292	$1,430,293,370	$1,390,479,287	$1,439,565,920
LONG-TERM DEBT										
154.1	FUNDED DEBT	$935,000,000	$1,085,000,000	$1,085,000,000	$1,085,000,000	$1,085,000,000	$1,085,000,000	$1,085,000,000	$1,085,000,000	$1,085,000,000
156	ADVANCES FROM AFFILIATED COMPANIES	29,000,000	200,000,000	12,500,000	8,500,000	0	0	0	0	0
157	OTHER LONG-TERM DEBT	25,000	25,000	0	0	0	5,679,352	6,920,818	4,624,771	4,216,669
	TOTAL LONG-TERM DEBT	$964,025,000	$1,285,025,000	$1,097,500,000	$1,093,500,000	$1,085,000,000	$1,090,679,352	$1,091,920,818	$1,089,624,771	$1,089,216,669
CURRENT AND ACCRUED LIABILITIES										
158.1	NOTES PAYABLE TO AFFILIATED COMPANIES	$0	$0	$0	$0	$0	$0	$0	$0	$0
158.2	OTHER NOTES PAYABLE	165,332,500	102,610,900	71,361,500	110,145,000	0	0	0	0	0
159.1	ACCOUNTS PAYABLE TO AFFILIATED COMPANIES	42,078,559	37,052,115	38,169,513	25,823,995	38,461,527	13,861,751	13,934,930	18,112,686	18,507,810
159.2	OTHER ACCOUNTS PAYABLE	104,880,044	115,273,184	132,143,957	99,385,697	180,961,604	286,416,010	286,636,665	239,551,885	224,546,478
160	CUSTOMERS' DEPOSITS	6,302,310	8,693,278	10,077,573	9,572,170	10,533,646	11,022,702	10,005,659	9,538,021	6,331,169
162	MATURED INTEREST AND DIVIDENDS	2,565,702	2,361,456	18,532	18,820	22,013	15,736	21,127	11,722	26,736
163	MATURED LONG-TERM DEBT	0	0	0	0	0	0	6,665,000	0	0
164	ADVANCE BILLING AND PAYMENTS	24,271,845	28,184,986	36,146,233	39,870,709	36,258,476	28,441,572	30,394,720	33,820,687	32,936,289
165	OTHER CURRENT LIABILITIES	1,400,979	1,335,566	784,781	1,401,313	1,699,919	724,042	779,402	1,100,661	5,229,038
166	TAXES ACCRUED	41,387,427	31,990,532	51,807,103	56,043,630	60,659,059	56,549,507	62,797,388	64,953,985	72,288,604
167	UNMATURED INTEREST, DIV. & RENTS ACCRUED	19,764,817	22,926,185	22,691,205	23,042,972	22,612,766	42,890,451	44,625,701	45,914,800	44,511,742
	TOTAL CURRENT AND ACCRUED LIABILITIES	$407,984,183	$350,428,202	$363,200,397	$365,304,306	$351,209,010	$439,921,771	$455,860,592	$413,004,447	$404,377,866
DEFERRED CREDITS AND OPERATING RESERVES										
168	PREMIUM ON LONG-TERM DEBT	$1,004,638	$961,684	$918,730	$875,776	$832,822	$789,868	$746,914	$703,960	$661,008
169	INSURANCE RESERVES	0	0	0	0	0	0	0	0	0
170	PROVIDENT RESERVES	3,797,653	4,190,036	5,419,659	10,215,704	11,298,916	12,577,958	9,653,183	20,696,413	19,076,429
174	OTHER DEFERRED CREDITS	148,455,103	183,626,668	216,115,449	243,288,902	248,561,026	227,630,009	236,827,958	245,669,514	239,864,306
176.1	ACCUM.DEFERRED INCOME TAXES-ACC. TAX DEP.	256,516,018	309,526,682	386,429,710	471,596,309	545,856,877	524,457,168	581,923,236	640,396,151	656,369,802
176.2	ACCUM.DEFERRED INCOME TAXES - OTHER	7,269,752	8,554,209	6,812,418	10,620,487	8,165,602	5,558,524	6,011,741	28,695,970	30,556,972
	TOTAL DEFERRED CREDITS & OPERATING RESERVES	$417,043,164	$506,859,279	$615,695,966	$736,597,178	$814,715,243	$771,013,527	$835,163,032	$936,162,008	$946,528,517
	TOTAL LIABILITIES AND OTHER CREDITS	$3,003,259,037	$3,409,519,080	$3,795,176,107	$3,948,381,323	$4,019,222,657	$3,730,644,942	$3,813,237,812	$3,829,270,513	$3,879,688,972

TABLE 15.3

1 BLOCK 3:NET INCOME & RET.EARNINGS(TOT.COMPANY)
2 JULY 27, 1988

15 PACIFIC NORTHWEST BELL - TOTAL COMPANY OPERATIONS
INCOME AND RETAINED EARNINGS STATEMENT

	1979	1980	1981	1982	1983	1984	1985	1986	1987
NET INCOME									
NET OPERATING INCOME -WASHINGTON	$123,390,447	$152,342,992	$169,964,997	$175,967,521	$188,320,522	$178,883,414	$195,411,768	$169,324,484	$212,399,677
-OTHER STATES	93,832,375	108,072,264	119,322,235	119,979,464	138,776,551	114,899,194	112,786,558	119,315,893	113,102,685
TOTAL NET OPERATING INCOME	$217,222,822	$260,415,256	$289,287,232	$295,946,985	$327,097,073	$293,782,608	$308,198,326	$288,640,377	$325,502,362
INTEREST CHARGED TO CONSTRUCTION	2,164,040	2,289,482	5,040,811	8,681,554	6,063,798	5,927,260	7,584,584	7,228,724	2,147,029
OTHER INCOME	379,450	725,171	2,843,608	2,586,076	5,216,555	6,523,563	3,344,568	3,472,251	(4,119,016)
MISCELLANEOUS DEDUCTIONS FROM INCOME	955,417	1,532,344	2,979,375	2,577,943	7,548,886	6,665,158	4,555,963	2,410,024	2,142,237
INTEREST ON FUNDED DEBT	61,012,592	84,366,667	90,462,504	90,462,481	90,462,515	90,462,493	90,462,500	90,017,708	82,437,500
OTHER FIXED CHARGES	20,555,997	29,916,968	18,985,756	13,836,179	7,736,469	4,112,413	4,094,135	4,751,705	23,154,395
EXTRAORDINARY/DELAYED ITEMS BEFORE TAX EFFECT	12,444,429	32,128	30,205	47,523	(10,210,813)	(1,659,020)	405,968	160,915	81,014
INCOME TAX EFFECT OF EXTRAORDINARY/DELAYED ITEMS	5,893,751	(19,457)	16,154	16,149	(1,919,857)	(3,730,002)	599,595	65,456	32,170
NET INCOME	$143,792,984	$147,665,515	$184,758,067	$200,369,386	$224,338,600	$207,064,349	$219,821,253	$202,257,374	$215,845,087
RETAINED EARNINGS (ACCOUNT 181)									
BALANCE AT BEGINNING OF YEAR	$373,043,820	$418,169,294	$466,884,108	$513,696,703	$542,460,606	$429,805,703	$431,868,595	$428,110,925	$396,451,842
CREDITS: NET INCOME(AS ABOVE)	$143,792,984	$147,665,515	$184,758,067	$200,369,386	$224,338,600	$207,064,349	$219,821,253	$202,257,374	$215,845,087
OTHER CREDITS	3,129	3,849	131,218	171	1,444	10,153,273	64,216	2,000	1,728,903
TOTAL CREDITS	$143,796,113	$147,669,364	$184,889,285	$200,369,557	$224,340,044	$217,217,622	$219,885,469	$202,259,374	$217,573,990
DEBITS: DIVIDEND APPROPRIATIONS	$98,392,448	$98,724,442	$138,041,000	$170,511,000	$211,865,388	$215,142,516	$223,642,330	$233,910,390	$223,741,286
OTHER DEBITS	278,191	230,108	35,690	13,286	1,124	12,214	809	8,067	2,120
TOTAL DEBITS	$98,670,639	$98,954,550	$138,076,690	$170,524,286	$211,866,512	$215,154,730	$223,643,139	$233,918,457	$223,743,406
BALANCE AT END OF YEAR	$418,169,294	$466,884,108	$513,696,703	$543,541,974	$554,934,138	$431,868,595	$428,110,925	$396,451,842	$390,282,426

Line 29, 1983: $1,081,368 (R) transferred to AT&T Information Systems

Line 29, 1984: $125,128,435 Transferred: $119,680,090 to AT&T
$5,448,345 to Landmark Publishing Co.

Line 32, 1987: Includes Account 181 (True-ups booked during the year)
in the amount of $1,728,903.

TABLE 15.4

BLOCK 4: (TOT. STATE)
JULY 27, 1988

15 PACIFIC NORTHWEST BELL - WASHINGTON STATE OPERATIONS ONLY
NET OPERATING INCOME AND PLANT STATISTICS

	1979	1980	1981	1982	1983	1984	1985	1986	1987
OPERATING REVENUES									
LOCAL SERVICE	$302,880,650	$344,131,800	$407,145,259	$463,308,712	$501,595,782	$414,826,850	$431,897,330	$400,775,495	$463,394,041
ACCESS REVENUES	0	0	0	0	0	236,673,351	271,549,726	258,837,073	246,271,527
TOLL SERVICE	366,240,323	405,716,479	472,433,439	513,750,456	537,725,386	201,907,255	207,871,908	217,970,941	237,088,747
MISCELLANEOUS	58,888,391	70,438,911	78,148,720	91,035,103	98,117,938	131,171,670	110,838,985	109,070,878	101,351,185
UNCOLLECTIBLES - DEBIT	5,882,846	8,439,339	9,466,838	12,099,022	14,823,762	5,513,971	7,419,665	7,705,918	5,343,279
TOTAL OPERATING REVENUES	$722,126,518	$811,847,851	$948,260,580	$1,055,995,249	$1,122,615,344	$979,065,155	$1,014,738,284	$978,948,469	$1,042,762,221
OPERATING REVENUE EXPENSES									
MAINTENANCE	$149,176,475	$160,003,629	$195,231,134	$228,489,813	$238,322,071	$181,010,389	$168,945,603	$167,194,071	$160,685,428
DEPRECIATION AND AMORTIZATION	98,504,521	110,549,816	119,410,662	140,985,297	180,240,790	157,675,107	170,034,498	198,077,415	220,577,708
TRAFFIC	39,940,427	41,952,401	47,055,008	47,065,224	45,779,100	31,451,979	37,101,037	33,107,623	31,886,695
COMMERCIAL	74,731,537	87,000,118	103,386,324	116,397,084	104,538,010	84,236,917	79,114,266	77,090,111	83,418,879
ACCESS EXPENSES	0	0	0	0	0	0	265,265	2,526,878	2,256,778
GENERAL OFFICE	45,492,934	54,247,420	63,569,973	66,911,553	81,120,382	84,138,869	90,255,839	92,442,514	101,175,443
OTHER OPERATING EXPENSES	74,476,819	85,646,156	96,297,578	108,385,489	101,741,104	96,721,167	106,954,652	87,204,010	63,807,376
TOTAL OPERATING REVENUE EXPENSES	$482,322,713	$539,399,540	$624,950,679	$708,234,460	$751,741,457	$635,234,428	$652,671,160	$657,642,622	$663,808,307
INVESTMENT CREDIT - NET	$20,543,338	$25,142,456	$24,715,979	$19,182,963	$5,918,222	$146,869	$10,095,230	$7,693,192	($15,602,798)
FEDERAL INCOME TAXES	(4,645,401)	(5,299,584)	(1,504,629)	1,007,896	34,865,222	43,363,097	31,815,778	1,672,169	81,490,658
OTHER OPERATING TAXES	70,622,404	69,035,547	85,844,268	94,136,204	91,446,689	78,361,521	78,132,021	83,135,745	92,195,342
OPERATING FED.INCOME TAX DEFER - ACC.DEP	30,689,165	33,020,069	49,847,575	56,606,171	57,878,648	52,476,330	61,409,061	55,024,284	49,795,806
OPER.FED. INCOME TAX DEFER - OTHER	4,146,512	4,789,300	3,749,165	12,370,188	9,356,371	7,467,529	7,922,959	25,522,358	13,270,334
INCL. CREDITS FROM PRIOR FED. TAXES	4,942,661	6,582,468	9,307,454	11,510,154	16,911,787	16,868,033	22,719,693	21,066,382	54,595,105
TOTAL OPERATING TAXES	$116,413,357	$120,105,320	$153,344,904	$171,793,268	$182,553,365	$164,947,313	$166,655,356	$151,981,366	$166,554,237
TOTAL OPERATING REV DEDUCTIONS	$598,736,070	$659,504,860	$778,295,583	$880,027,728	$934,294,822	$800,181,741	$819,326,516	$809,623,988	$830,362,544
NET OPERATING INCOME	$123,390,448	$152,342,991	$169,964,997	$175,967,521	$188,320,522	$178,883,414	$195,411,768	$169,324,481	$212,399,677
100.1 TELEPHONE PLANT IN SERVICE	$1,896,560,770	$2,147,397,489	$2,393,369,638	$2,606,858,053	$2,765,326,789	$2,544,824,308	$2,725,988,741	$2,926,146,168	$3,041,796,578
100.3 PROPERTY HELD FOR FUTURE USE	540,879	284,812	211,172	42,932	95,812	63,839	18,089	74,317	117,609
LESS: 171 & 172 DEP. & AMORT. RESERVES	360,986,794	382,250,701	420,641,499	443,389,579	554,852,007	571,470,155	669,657,214	738,661,086	864,253,475
NET TELEPHONE PLANT END OF YEAR(DEC)	$1,536,114,855	$1,765,431,600	$1,973,439,311	$2,163,511,406	$2,210,569,794	$1,973,418,192	$2,056,349,616	$2,187,559,399	$2,177,660,712
PRIMARY STATISTICS									
MILES OF: WIRE IN CABLE	17,733,155	18,791,831	19,847,979	20,276,474	20,508,747	20,794,893	21,161,284	21,620,388	21,924,406
AERIAL WIRE	28,235	23,832	21,563	19,063	27,225	25,503	33,403	32,243	30,917
UNDERGROUND CONDUIT (SINGLE DUCT)	9,738	10,389	10,706	10,601	10,523	10,788	11,398	11,148	11,314
CARRIER CHANNEL(TELEPHONE)	6,513,811	6,668,431	9,247,663	10,411,041	19,809,824	8,052,532	9,794,041	15,753,110	10,080,509
NUMBER OF POLES	219,773	214,340	208,406	204,105	198,975	192,912	187,619	184,073	242,707
NUMBER OF CENTRAL OFFICES	307	322	334	334	338	151	151	150	150
ACCESS LINES(RESIDENTIAL)	0	0	0	0	0	1,115,875	1,141,567	1,168,632	1,206,990
ACCESS LINES(BUSINESS)	0	0	0	0	0	492,288	510,063	517,178	528,345
ACCESS LINES(PUBLIC)	0	0	0	0	0	22,753	23,407	22,785	21,374
ACCESS LINES(TOTAL)	0	0	0	0	0	1,630,916	1,675,037	1,708,595	1,756,709

TABLE 16.1

BLOCK1: BALANCE SHEET -- ASSETS
AUGUST 17, 1988

16 PENINSULA TELEPHONE - TOTAL COMPANY OPERATIONS
BALANCE SHEET - ASSETS AND OTHER DEBITS

		1979	1980	1981	1982	1983	1984	1985	1986	1987
TELEPHONE PLANT										
100.1	TELEPHONE PLANT IN SERVICE	$7,289,726	$8,189,136	$8,713,123	$8,974,923	$9,161,053	$10,010,561	$10,494,752	$10,251,641	$10,235,272
100.2	TELEPHONE PLANT UNDER CONSTRUCTION	33,735	140,183	0	0	0	0	0	250,708	103,697
100.3	PROPERTY HELD FOR FUTURE TELEPHONE USE	0	0	0	0	0	0	0	0	0
100.4	TELEPHONE PLANT ACQUISITION ADJUSTMENT	0	0	0	0	0	0	0	0	0
171	LESS: DEPRECIATION RESERVE	1,951,444	2,457,048	2,798,541	3,264,296	3,683,652	4,241,770	4,427,455	4,832,417	4,772,954
172	AMORTIZATION RESERVE	0	0	0	0	0	0	0	0	0
	TOTAL NET TELEPHONE PLANT	$5,372,017	$5,872,271	$5,914,582	$5,710,627	$5,477,401	$5,768,791	$6,067,297	$5,669,932	$5,566,015
INVESTMENTS AND FUNDS										
101.1	INVESTMENTS IN AFFILIATED COMPANIES	$0	$0	$0	$0	$50,000	$50,000	$50,000	$131,690	$137,989
101.2	ADVANCES TO AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
102	OTHER INVESTMENTS	605,118	695,595	231,993	146,359	113,188	158,093	13,356	13,356	13,356
103	MISCELLANEOUS PHYSICAL PROPERTY	0	0	0	122,639	3,244	0	0	0	0
104	SINKING FUNDS(EXCLUDING OWN ISSUES)	0	0	0	0	0	0	0	0	0
106	NONREGULATED INVESTMENT	0	0	0	0	0	0	0	140,830	16,947
136	PROVIDENT FUNDS(EXCLUDING OWN ISSUES)	0	0	0	0	0	0	0	0	0
	TOTAL INVESTMENTS AND FUNDS	$605,118	$695,595	$231,993	$268,998	$166,432	$208,093	$63,356	$285,876	$168,292
CURRENT ASSETS										
113	CASH	$298,801	$113,487	$256,036	$439,668	$881,640	$1,193,500	$1,085,461	$68,748	$43,414
114	SPECIAL CASH DEPOSITS	0	0	0	0	0	0	0	0	0
115	WORKING FUNDS	0	0	0	0	0	0	0	0	0
116	TEMPORARY CASH INVESTMENTS	0	81,000	73,800	324,866	840,331	963,133	872,857	71,751	68,542
117.1	NOTES RECEIVABLE FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
117.2	OTHER NOTES RECEIVABLE	27,980	26,686	26,710	40,842	46,660	49,351	27,918	4,076	0
118	DUE FROM CUSTOMERS AND AGENTS	230,189	233,519	237,636	224,491	251,073	248,953	258,023	212,389	519,763
120.1	ACCTS RECEIVABLE FROM AFFILIATED COMPANIES	0	0	0	0	29,041	63,431	51,187	2,489,087	3,067,377
120.2	OTHER ACCOUNTS RECEIVABLE	65,290	161,175	94,844	90,966	0	0	40,934	46,626	6,259
121	INTEREST AND DIVIDENDS RECEIVABLE	0	0	0	0	0	0	0	0	0
122	MATERIAL AND SUPPLIES	47,920	61,820	52,713	100,248	75,331	103,377	125,823	207,765	176,965
123	OTHER CURRENT ASSETS	119,000	13,500	0	0	0	0	0	0	0
	TOTAL CURRENT ASSETS	$789,180	$691,187	$741,739	$1,221,081	$2,124,076	$2,621,745	$2,462,203	$3,100,442	$3,884,320
PREPAID ACCOUNTS AND DEFERRED CHARGES										
129	PREPAID RENTS	$2,996	$992	$0	$0	$0	$0	$0	$6,472	$630
130	PREPAID TAXES	57,572	0	0	0	0	35,161	0	0	0
131	PREPAID INSURANCE	6,791	3,483	3,618	3,262	3,163	3,075	0	1,730	0
132	PREPAID DIRECTORY EXPENSESS	0	0	0	0	0	0	0	0	0
133	OTHER PREPAYMENTS	0	0	0	750	0	0	0	0	2,164
135	DISCOUNT ON LONG-TERM DEBT	20,411	19,580	18,449	17,319	16,188	15,057	13,926	12,795	11,665
138	EXTRAORDINARY MAINTENANCE & RETIREMENTS	0	0	0	0	0	0	0	0	0
139	OTHER DEFERRED CHARGES	28,514	35,734	42,003	75,980	77,313	71,823	68,777	0	0
	TOTAL PREPAID ACCOUNTS & DEFERRED CHARGES	$116,284	$59,789	$64,070	$97,311	$96,664	$125,116	$82,703	$20,997	$14,459
	TOTAL ASSETS AND OTHER DEBITS	$6,882,599	$7,318,842	$6,952,384	$7,298,017	$7,864,573	$8,723,745	$8,675,559	$9,077,247	$9,633,086

TABLE 16.2

BLOCK 2: BALANCE SHEET -- LIABILITIES
AUGUST 17, 1988

16 PENINSULA TELEPHONE - TOTAL COMPANY OPERATIONS
BALANCE SHEET - LIABILITIES AND OTHER CREDITS

		1979	1980	1981	1982	1983	1984	1985	1986	1987
STOCKHOLDERS EQUITY										
150	CAPITAL STOCK (ACTUALLY OUTSTANDING)	$88,500	$90,500	$90,500	$90,500	$90,500	$90,500	$90,500	$90,500	$90,500
152	PREMIUM ON CAPITAL STOCK	9,653	9,653	9,653	9,653	9,653	9,653	9,653	9,653	9,653
179	OTHER CAPITAL	0	0	0	0	0	0	0	0	0
180	RETAINED EARNINGS RESERVED	0	0	0	0	0	0	0	0	0
181	UNAPPROPRIATED RETAINED EARNINGS	2,509,542	2,834,675	2,925,766	3,238,432	3,498,498	3,989,448	4,528,111	4,822,822	5,057,224
134.1	LESS: DISCOUNT ON CAPITAL STOCK	0	0	0	0	0	0	0	0	0
134.2	CAPITAL STOCK EXPENSE	0	0	0	0	0	0	0	0	0
	TOTAL NET STOCKHOLDERS' EQUITY	$2,607,695	$2,934,828	$3,025,919	$3,338,585	$3,598,651	$4,089,601	$4,628,264	$4,922,975	$5,157,377
LONG-TERM DEBT										
154.1	FUNDED DEBT	$3,581,483	$3,617,990	$3,013,800	$2,940,200	$2,866,600	$2,793,000	$2,719,400	$2,645,800	$2,572,200
156	ADVANCES FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
157	OTHER LONG-TERM DEBT	0	0	0	0	0	0	0	0	0
	TOTAL LONG-TERM DEBT	$3,581,483	$3,617,990	$3,013,800	$2,940,200	$2,866,600	$2,793,000	$2,719,400	$2,645,800	$2,572,200
CURRENT AND ACCRUED LIABILITIES										
158.1	NOTES PAYABLE TO AFFILIATED COMPANIES	$0	$0	$0	$0	$0	$0	$0	$0	$0
158.2	OTHER NOTES PAYABLE	0	0	0	0	0	0	0	0	0
159.1	ACCOUNTS PAYABLE TO AFFILIATED COMPANIES	0	0	0	0	0	0	81,255	44,883	0
159.2	OTHER ACCOUNTS PAYABLE	216,458	228,430	88,454	72,066	306,425	453,279	44,495	214,376	529,473
160	CUSTOMERS' DEPOSITS	19,360	22,790	19,617	16,985	20,675	19,155	17,335	11,867	7,313
162	MATURED INTEREST AND DIVIDENDS	0	0	0	0	0	0	0	0	0
163	MATURED LONG-TERM DEBT	0	0	0	0	0	0	0	0	0
164	ADVANCE BILLING AND PAYMENTS	0	0	0	0	0	0	0	12,002	13,785
165	OTHER CURRENT LIABILITIES	98,955	112,661	176,736	232,044	261,781	233,553	2,123	0	0
166	TAXES ACCRUED	76,434	75,664	51,934	79,767	91,862	223,851	52,133	34,141	21,277
167	UNMATURED INTEREST, DIV. & RENTS ACCRUED	75,201	77,317	123,130	76,932	63,577	60,322	57,669	54,752	41,715
	TOTAL CURRENT AND ACCRUED LIABILITIES	$486,408	$456,862	$459,871	$477,794	$744,320	$990,160	$259,310	$372,021	$613,563
DEFERRED CREDITS AND OPERATING RESERVES										
168	PREMIUM ON LONG-TERM DEBT	$0	$0	$0	$0	$0	$0	$0	$0	$0
169	INSURANCE RESERVES	0	0	0	0	0	0	0	0	0
170	PROVIDENT RESERVES	0	0	0	0	0	0	0	0	0
174	OTHER DEFERRED CREDITS	267,013	309,162	375,441	426,076	432,210	470,598	501,930	366,272	244,767
176.1	ACCUM.DEFERRED INCOME TAXES-ACC. TAX DEP.	0	0	77,353	115,362	222,792	380,386	570,955	837,955	1,095,955
176.2	ACCUM.DEFERRED INCOME TAXES - OTHER	0	0	0	0	0	0	0	(67,776)	(50,776)
	TOTAL DEFERRED CREDITS & OPERATING RESERVES	$267,013	$309,162	$452,794	$541,438	$655,002	$850,984	$1,072,885	$1,136,451	$1,289,946
	TOTAL LIABILITIES AND OTHER CREDITS	$6,882,599	$7,318,842	$6,952,384	$7,298,017	$7,864,573	$8,723,745	$8,675,559	$9,077,247	$9,633,086

TABLE 16.3

BLOCK 3:INCOME AND RETAINED EARNINGS
AUGUST 17, 1988

16 PENINSULA TELEPHONE - TOTAL COMPANY OPERATIONS
INCOME AND RETAINED EARNINGS STATEMENT

	1979	1980	1981	1982	1983	1984	1985	1986	1987
NET INCOME									
NET OPERATING INCOME -WASHINGTON	$635,347	$668,723	$588,166	$566,112	$583,609	$783,648	$705,313	$340,753	$598,540
-OTHER STATES	0	0	0	0	0	0	0	0	0
TOTAL NET OPERATING INCOME	$635,347	$668,723	$588,166	$566,112	$583,609	$783,648	$705,313	$340,753	$598,540
INTEREST CHARGED TO CONSTRUCTION	0	0	0	0	0	0	0	0	0
OTHER INCOME	24,336	39,881	37,558	95,746	108,259	195,012	211,688	330,111	58,969
MISCELLANEOUS DEDUCTIONS FROM INCOME	(242)	18,350	7,600	1,050	862	2,512	900	4,716	280
INTEREST ON FUNDED DEBT	249,069	276,562	270,185	263,693	257,239	250,715	244,109	237,652	219,781
OTHER FIXED CHARGES	38,144	24,850	19,790	33,285	22,550	41,244	13,326	5,153	3,046
EXTRAORDINARY/DELAYED ITEMS BEFORE TAX EFFECT	0	0	0	0	(12,537)	0	0	0	0
INCOME TAX EFFECT OF EXTRAORDINARY/DELAYED ITEMS	0	0	0	0	(5,767)	0	0	0	0
NET INCOME	$372,712	$388,842	$328,149	$363,830	$404,447	$684,189	$658,666	$423,343	$434,402
RETAINED EARNINGS (ACCOUNT 181)									
BALANCE AT BEGINNING OF YEAR	$2,229,422	$2,509,542	$2,834,675	$2,925,766	$3,238,432	$3,498,498	$3,989,448	$4,528,111	$4,822,822
CREDITS: NET INCOME(AS ABOVE)	$372,712	$388,842	$328,149	$363,830	$404,447	$684,189	$658,666	$423,343	$434,402
OTHER CREDITS	0	29,224	0	41,356	0	0	0	70,918	0
TOTAL CREDITS	$372,712	$418,066	$328,149	$405,186	$404,447	$684,189	$658,666	$494,261	$434,402
DEBITS: DIVIDEND APPROPRIATIONS	$92,592	$92,933	$237,058	$92,520	$144,381	$193,239	$120,003	$199,550	$200,000
OTHER DEBITS	0	0	0	0	0	0	0	0	0
TOTAL DEBITS	$92,592	$92,933	$237,058	$92,520	$144,381	$193,239	$120,003	$199,550	$200,000
BALANCE AT END OF YEAR	$2,509,542	$2,834,675	$2,925,766	$3,238,432	$3,498,498	$3,989,448	$4,528,111	$4,822,822	$5,057,224

TABLE 16.4

BLOCK 4:NET OPERATING INCOME AND PLANT STATISTICS
AUGUST 17, 1988

16 PENINSULA TELEPHONE - TOTAL COMPANY OPERATIONS
NET OPERATING INCOME AND PLANT STATISTICS

	1979	1980	1981	1982	1983	1984	1985	1986	1987
OPERATING REVENUES									
LOCAL SERVICE	$722,337	$757,364	$722,910	$776,661	$952,283	$1,050,018	$957,024	$917,338	$972,926
ACCESS REVENUES	0	0	0	0	0	0	2,471,817	2,517,013	2,668,622
TOLL SERVICE	1,848,019	2,304,168	2,556,278	2,708,045	2,468,585	2,849,332	143,889	(1,781)	7,937
MISCELLANEOUS	159,900	57,690	80,857	56,915	66,937	78,074	149,393	238,505	532,531
UNCOLLECTIBLES - DEBIT	810	6,823	18,970	30,000	38,097	47,013	31,034	31,495	8,590
TOTAL OPERATING REVENUES	$2,729,446	$3,112,399	$3,341,075	$3,511,621	$3,449,708	$3,930,411	$3,691,089	$3,639,580	$3,573,426
OPERATING REVENUE EXPENSES									
MAINTENANCE	$733,013	$778,326	$769,374	$891,592	$777,688	$762,367	$737,339	$740,159	$753,286
DEPRECIATION AND AMORTIZATION	440,105	628,135	684,772	651,470	666,759	688,522	755,385	745,400	587,140
TRAFFIC	13,559	15,599	13,677	31,375	20,701	20,609	11,876	43,688	109,184
COMMERCIAL	139,395	141,369	160,426	143,396	177,970	157,614	150,485	198,197	235,732
ACCESS EXPENSES	0	0	0	0	0	0	0	0	0
GENERAL OFFICE	325,740	405,163	439,748	452,409	461,003	433,627	465,038	658,199	674,729
OTHER OPERATING EXPENSES	198,679	205,755	284,889	311,327	234,641	375,577	175,575	296,401	252,191
TOTAL OPERATING REVENUE EXPENSES	$1,850,491	$2,174,347	$2,352,886	$2,481,569	$2,338,762	$2,438,316	$2,295,698	$2,682,044	$2,612,262
INVESTMENT CREDIT - NET	$51,418	$20,630	$48,556	$10,385	($2,728)	$35,648	$34,872	($13,000)	($108,000)
FEDERAL INCOME TAXES	(20,144)	40,050	84,363	150,576	218,122	406,395	302,905	200,000	22,000
OTHER OPERATING TAXES	212,334	208,649	209,751	223,614	210,846	115,820	167,913	161,783	173,624
OPERATING FED.INCOME TAX DEFER - ACC.DEP	0	0	77,353	79,365	101,097	157,594	190,569	267,000	260,000
OPER.FED. INCOME TAX DEFER - OTHER	0	0	0	0	0	0	0	1,000	17,000
INC. CREDITS FROM PRIOR FED. TAXES	0	0	0	0	0	7,010	6,181	0	2,000
TOTAL OPERATING TAXES	$243,608	$269,329	$420,023	$463,940	$527,337	$708,447	$690,078	$616,783	$362,624
TOTAL OPERATING REV DEDUCTIONS	$2,094,099	$2,443,676	$2,752,909	$2,945,509	$2,866,099	$3,146,763	$2,985,776	$3,298,827	$2,974,886
NET OPERATING INCOME	$635,347	$668,723	$588,166	$566,112	$583,609	$783,648	$705,313	$340,753	$598,540
100.1 TELEPHONE PLANT IN SERVICE	$7,289,726	$8,189,136	$8,713,123	$8,974,923	$9,161,053	$10,010,561	$10,494,752	$10,251,841	$10,235,272
100.3 PROPERTY HELD FOR FUTURE USE	0	0	0	0	0	0	0	0	0
LESS: 171 & 172 DEP. & AMORT. RESERVES	1,951,444	2,457,048	2,798,541	3,264,296	3,683,652	4,241,770	4,427,455	4,832,417	4,772,954
NET TELEPHONE PLANT END OF YEAR(DEC)	$5,338,282	$5,732,088	$5,914,582	$5,710,627	$5,477,401	$5,768,791	$6,067,297	$5,419,224	$5,462,318
PRIMARY STATISTICS									
MILES OF: WIRE IN CABLE	26,043	27,141	28,674	29,282	29,627	30,144	31,477	31,810	32,378
AERIAL WIRE	0	0	0	0	0	0	0	2	67
UNDERGROUND CONDUIT (SINGLE DUCT)	0	0	0	0	1	1	1	2	1
CARRIER CHANNEL(TELEPHONE)	12,923	16,309	16,634	15,069	17,180	16,606	17,211	17,283	17,283
NUMBER OF POLES	1,018	955	949	940	933	968	977	3,078	2,951
NUMBER OF CENTRAL OFFICES	5	5	5	5	5	5	5	5	5
ACCESS LINES(RESIDENTIAL)	0	0	0	0	0	2,821	2,893	2,905	3,010
ACCESS LINES(BUSINESS)	0	0	0	0	0	918	1,000	908	1,025
ACCESS LINES(PUBLIC)	0	0	0	0	0	65	59	54	52
ACCESS LINES(TOTAL)	0	0	0	0	0	3,804	3,952	3,867	4,087

TABLE 17.1

BLOCK1: BALANCE SHEET -- ASSETS
AUGUST 22, 1988

17 PIONEER TELEPHONE - TOTAL COMPANY OPERATIONS
BALANCE SHEET - ASSETS AND OTHER DEBITS

		1979	1980	1981	1982	1983	1984	1985	1986	1987
TELEPHONE PLANT										
100.1	TELEPHONE PLANT IN SERVICE	$1,355,534	$1,418,319	$1,508,524	$1,610,299	$1,685,382	$3,330,494	$3,163,487	$3,098,023	$3,023,218
100.2	TELEPHONE PLANT UNDER CONSTRUCTION	39,030	71,637	48,364	85,378	84,612	28,582	0	1,992	0
100.3	PROPERTY HELD FOR FUTURE TELEPHONE USE	0	0	0	0	0	0	0	0	0
100.4	TELEPHONE PLANT ACQUISITION ADJUSTMENT	0	0	0	0	0	0	0	0	0
171	LESS: DEPRECIATION RESERVE	424,233	479,012	546,818	651,760	755,974	598,452	503,823	612,309	755,906
172	AMORTIZATION RESERVE	0	0	0	0	0	0	0	0	0
	TOTAL NET TELEPHONE PLANT	$970,331	$1,010,944	$1,010,070	$1,043,917	$1,014,020	$2,760,624	$2,659,664	$2,487,706	$2,267,312
INVESTMENTS AND FUNDS										
101.1	INVESTMENTS IN AFFILIATED COMPANIES	$0	$0	$0	$0	$0	$0	$0	$0	$0
101.2	ADVANCES TO AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
102	OTHER INVESTMENTS	7,440	7,834	8,208	8,667	8,953	10,130	6,500	6,500	6,000
103	MISCELLANEOUS PHYSICAL PROPERTY	17,335	17,335	17,335	17,535	17,535	42,535	55,120	26,126	27,346
104	SINKING FUNDS(EXCLUDING OWN ISSUES)	0	0	0	0	0	0	0	0	0
106	NONREGULATED INVESTMENT	0	0	0	0	0	0	0	0	23,445
136	PROVIDENT FUNDS(EXCLUDING OWN ISSUES)	0	0	0	0	0	0	0	0	0
	TOTAL INVESTMENTS AND FUNDS	$24,775	$25,169	$25,543	$26,202	$26,488	$52,665	$61,620	$32,626	$56,791
CURRENT ASSETS										
113	CASH	$28,387	$16,779	$14,977	$8,489	$8,306	$124,979	$49,434	$31,791	$62,266
114	SPECIAL CASH DEPOSITS	0	0	0	0	0	0	0	0	0
115	WORKING FUNDS	0	2,178	2,942	930	100	100	100	100	100
116	TEMPORARY CASH INVESTMENTS	96,181	119,525	220,435	241,001	363,813	254,221	477,186	1,284,291	1,888,628
117.1	NOTES RECEIVABLE FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
117.2	OTHER NOTES RECEIVABLE	0	0	0	0	0	0	0	0	0
118	DUE FROM CUSTOMERS AND AGENTS	5,403	3,674	7,244	4,975	4,645	6,518	5,343	5,785	6,127
120.1	ACCTS RECEIVABLE FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
120.2	OTHER ACCOUNTS RECEIVABLE	0	562	562	209	0	41,843	0	0	33,741
121	INTEREST AND DIVIDENDS RECEIVABLE	0	0	0	0	0	0	0	38,825	0
122	MATERIAL AND SUPPLIES	19,079	18,094	18,239	20,067	18,358	23,315	22,232	25,406	21,833
123	OTHER CURRENT ASSETS	0	0	0	0	4,994	10,544	26,532	27,049	29,317
	TOTAL CURRENT ASSETS	$149,050	$160,812	$264,399	$275,671	$400,216	$461,520	$580,827	$1,413,247	$2,042,012
PREPAID ACCOUNTS AND DEFERRED CHARGES										
129	PREPAID RENTS	$150	$150	$150	$150	$0	$150	$200	$200	$0
130	PREPAID TAXES	4,254	(1,629)	0	27,354	0	1,202	64	0	0
131	PREPAID INSURANCE	0	0	0	0	0	0	0	0	0
132	PREPAID DIRECTORY EXPENSESS	0	0	0	0	0	0	0	0	0
133	OTHER PREPAYMENTS	0	0	0	0	0	0	0	0	0
135	DISCOUNT ON LONG-TERM DEBT	6,626	6,303	5,980	5,656	5,333	11,840	11,316	10,792	10,268
138	EXTRAORDINARY MAINTENANCE & RETIREMENTS	0	0	0	0	0	0	0	0	0
139	OTHER DEFERRED CHARGES	0	0	0	0	0	0	0	0	0
	TOTAL PREPAID ACCOUNTS & DEFERRED CHARGES	$11,030	$4,824	$6,130	$33,160	$5,333	$13,192	$11,580	$10,992	$10,268
	TOTAL ASSETS AND OTHER DEBITS	$1,155,186	$1,201,749	$1,306,142	$1,378,950	$1,446,057	$3,288,001	$3,313,691	$3,944,571	$4,376,383

TABLE 17.2

BLOCK 2. BALANCE SHEET -- LIABILITIES
AUGUST 22, 1988

17 PIONEER TELEPHONE - TOTAL COMPANY OPERATIONS
BALANCE SHEET - LIABILITIES AND OTHER CREDITS

		1979	1980	1981	1982	1983	1984	1985	1986	1987
STOCKHOLDERS EQUITY										
150	CAPITAL STOCK (ACTUALLY OUTSTANDING)	$58,732	$58,732	$58,732	$58,732	$58,732	$58,732	$57,232	$24,457	$56,052
152	PREMIUM ON CAPITAL STOCK	0	0	0	0	0	0	0	0	0
179	OTHER CAPITAL	0	0	0	0	0	0	0	0	0
180	RETAINED EARNINGS RESERVED	0	0	0	0	0	0	0	0	0
181	UNAPPROPRIATED RETAINED EARNINGS	492,068	553,793	638,383	706,305	778,990	932,865	1,011,244	1,220,316	1,514,158
134.1	LESS: DISCOUNT ON CAPITAL STOCK	0	0	0	0	0	0	0	0	0
134.2	CAPITAL STOCK EXPENSE	294	294	294	294	294	294	294	294	294
	TOTAL NET STOCKHOLDERS' EQUITY	$550,506	$612,231	$696,821	$764,743	$837,428	$991,303	$1,068,182	$1,244,479	$1,569,916
LONG-TERM DEBT										
154.1	FUNDED DEBT	$528,844	$503,641	$477,927	$451,696	$424,938	$1,833,643	$1,822,795	$2,208,605	$2,138,323
156	ADVANCES FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
157	OTHER LONG-TERM DEBT	0	0	0	0	0	0	0	0	0
	TOTAL LONG-TERM DEBT	$528,844	$503,641	$477,927	$451,696	$424,938	$1,833,643	$1,822,795	$2,208,605	$2,138,323
CURRENT AND ACCRUED LIABILITIES										
158.1	NOTES PAYABLE TO AFFILIATED COMPANIES	$0	$0	$0	$0	$0	$0	$0	$0	$0
158.2	OTHER NOTES PAYABLE	0	0	0	0	0	0	0	0	0
159.1	ACCOUNTS PAYABLE TO AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
159.2	OTHER ACCOUNTS PAYABLE	9,684	8,479	29,607	35,743	34,889	184,800	26,785	24,054	13,100
160	CUSTOMERS' DEPOSITS	845	415	400	235	520	390	390	375	605
162	MATURED INTEREST AND DIVIDENDS	0	0	0	0	0	0	0	0	0
163	MATURED LONG-TERM DEBT	0	0	0	0	0	0	0	0	0
164	ADVANCE BILLING AND PAYMENTS	0	0	0	0	0	0	0	0	0
165	OTHER CURRENT LIABILITIES	4,842	7,181	6,665	7,288	8,709	12,052	12,309	10,920	11,805
166	TAXES ACCRUED	1,730	1,907	20,132	2,102	3,290	1,496	26,762	37,009	130,829
167	UNMATURED INTEREST, DIV. & RENTS ACCRUED	0	0	0	0	0	0	0	0	0
	TOTAL CURRENT AND ACCRUED LIABILITIES	$17,101	$17,982	$56,804	$45,368	$47,408	$198,738	$66,246	$72,358	$156,339
DEFERRED CREDITS AND OPERATING RESERVES										
168	PREMIUM ON LONG-TERM DEBT	$0	$0	$0	$0	$0	$0	$0	$0	$0
169	INSURANCE RESERVES	0	0	0	0	0	0	0	0	0
170	PROVIDENT RESERVES	0	0	0	0	0	0	0	0	0
174	OTHER DEFERRED CREDITS	58,735	67,895	68,559	76,850	81,721	127,565	122,858	125,523	175,482
176.1	ACCUM.DEFERRED INCOME TAXES-ACC. TAX DEP.	0	0	6,031	40,293	54,562	136,752	233,610	293,606	280,652
176.2	ACCUM.DEFERRED INCOME TAXES - OTHER	0	0	0	0	0	0	0	0	55,671
	TOTAL DEFERRED CREDITS & OPERATING RESERVES	$58,735	$67,895	$74,590	$117,143	$136,283	$264,317	$356,468	$419,129	$511,805
	TOTAL LIABILITIES AND OTHER CREDITS	$1,155,186	$1,201,749	$1,306,142	$1,378,950	$1,446,057	$3,288,001	$3,313,691	$3,944,571	$4,376,383

TABLE 17.3

BLOCK3: -- INCOME AND RETAINED EARNINGS
AUGUST 22, 1988

17 PIONEER TELEPHONE - TOTAL COMPANY OPERATIONS
INCOME AND RETAINED EARNINGS STATEMENT

	1979	1980	1981	1982	1983	1984	1985	1986	1987
NET INCOME									
NET OPERATING INCOME -WASHINGTON	$105,782	$79,406	$89,888	$66,272	$72,114	$148,161	$111,396	$166,649	$334,753
-OTHER STATES	0	0	0	0	0	0	0	0	0
TOTAL NET OPERATING INCOME	$105,782	$79,406	$89,888	$66,272	$72,114	$148,161	$111,396	$166,649	$334,753
INTEREST CHARGED TO CONSTRUCTION	0	0	0	0	0	13,660	16	0	0
OTHER INCOME	6,476	15,351	26,458	33,081	30,656	32,472	34,154	61,944	133,531
MISCELLANEOUS DEDUCTIONS FROM INCOME	1,517	1,596	365	620	245	100	345	1,058	1,405
INTEREST ON FUNDED DEBT	10,878	10,383	9,872	9,354	8,828	18,170	36,760	43,253	43,652
OTHER FIXED CHARGES	341	382	848	389	341	1,477	552	546	533
EXTRAORDINARY/DELAYED ITEMS BEFORE TAX EFFECT	0	0	0	0	0	0	0	21,253	0
INCOME TAX EFFECT OF EXTRAORDINARY/DELAYED ITEMS	0	0	0	0	0	0	0	0	0
NET INCOME	$99,522	$82,396	$105,261	$88,990	$93,356	$174,546	$107,909	$204,989	$422,694
RETAINED EARNINGS (ACCOUNT 181)									
BALANCE AT BEGINNING OF YEAR (1)	$410,264	$492,068	$553,793	$638,383	$706,305	$778,990	$932,865	$1,011,244	$1,220,316
CREDITS: NET INCOME(AS ABOVE)	$99,522	$82,396	$105,261	$88,990	$93,356	$174,546	$107,909	$339,408	$422,694
OTHER CREDITS	0	0	0	0	0	0	0	0	2,412
TOTAL CREDITS	$99,522	$82,396	$105,261	$88,990	$93,356	$174,546	$107,909	$339,408	$425,106
DEBITS: DIVIDEND APPROPRIATIONS	$17,718	$20,671	$20,671	$20,671	$20,671	$20,671	$29,530	$34,764	$84,720
OTHER DEBITS	0	0	0	0	0	0	0	95,572	46,544
TOTAL DEBITS	$17,718	$20,671	$20,671	$20,671	$20,671	$20,671	$29,530	$130,336	$131,264
BALANCE AT END OF YEAR	$492,068	$553,793	$638,383	$706,702	$778,990	$932,865	$1,011,244	$1,220,316	$1,514,158

(1) THE BEGINNING BALANCE IN RETAINED EARNINGS FOR 1983 DOES NOT EQUAL THE 1982 END OF YEAR BALANCE DUE TO CHANGES MADE BY COMPANY.

09-Sep-88

TABLE 17.4

BLOCK4: NET INCOME & PLANT STATS.
AUGUST 22, 1988

17 PIONEER TELEPHONE - TOTAL COMPANY OPERATIONS
NET OPERATING INCOME AND PLANT STATISTICS

	1979	1980	1981	1982	1983	1984	1985	1986	1987
OPERATING REVENUES									
LOCAL SERVICE	$86,888	$87,909	$92,726	$92,121	$103,293	$112,404	$115,421	$107,643	$118,072
ACCESS REVENUES	0	0	0	0	0	0	230,589	355,479	556,304
TOLL SERVICE	290,513	289,213	317,396	350,207	362,217	528,093	414,365	353,463	336,471
MISCELLANEOUS	321	0	2,083	1,366	1,516	1,838	(290)	4,577	35,729
UNCOLLECTIBLES - DEBIT	2,000	0	0	2,000	0	1,000	2,141	0	0
TOTAL OPERATING REVENUES	$375,722	$377,122	$412,205	$441,694	$467,026	$641,335	$757,944	$821,162	$1,046,576
OPERATING REVENUE EXPENSES									
MAINTENANCE	$47,852	$62,134	$57,517	$75,289	$79,614	$77,602	$113,291	$100,585	$73,670
DEPRECIATION AND AMORTIZATION	48,785	51,383	70,577	110,854	116,470	122,697	223,241	214,482	199,320
TRAFFIC	1,419	2,879	3,406	2,466	2,095	2,818	3,267	215	527
COMMERCIAL	1,013	2,149	3,334	2,079	3,614	2,690	4,901	9,934	8,201
ACCESS EXPENSES	0	0	0	0	0	0	0	0	0
GENERAL OFFICE	57,768	63,434	61,737	64,413	70,817	101,221	86,162	104,642	112,481
OTHER OPERATING EXPENSES	38,878	46,410	49,012	54,107	60,575	68,612	78,543	86,645	77,843
TOTAL OPERATING REVENUE EXPENSES	$195,715	$228,389	$245,583	$309,208	$333,185	$375,640	$509,405	$516,503	$472,042
INVESTMENT CREDIT - NET	$13,265	($2,223)	$6,925	$8,291	$4,871	($3,905)	($4,184)	($7,821)	$49,959
FEDERAL INCOME TAXES	30,866	31,778	39,556	58,512	41,122	95,466	96,460	90,986	97,585
OTHER OPERATING TAXES	30,094	40,144	30,483	33,443	30,002	26,252	44,867	55,117	49,520
OPERATING FED.INCOME TAX DEFER - ACC.DEP	0	0	(230)	(34,032)	(14,268)	0	0	0	47,988
OPER.FED. INCOME TAX DEFER - OTHER	0	0	0	0	0	0	0	0	(5,271)
INC. CREDITS FROM PRIOR FED. TAXES	0	(372)	0	0	0	(279)	0	(272)	0
TOTAL OPERATING TAXES	$74,225	$69,327	$76,734	$66,214	$61,727	$117,534	$137,143	$138,010	$239,781
TOTAL OPERATING REV DEDUCTIONS	$269,940	$297,716	$322,317	$375,422	$394,912	$493,174	$646,548	$654,513	$711,823
NET OPERATING INCOME	$105,782	$79,406	$89,888	$66,272	$72,114	$148,161	$111,396	$166,649	$334,753
100.1 TELEPHONE PLANT IN SERVICE	$1,355,534	$1,418,319	$1,508,524	$1,610,299	$1,685,382	$3,330,494	$3,163,487	$3,098,023	$3,023,218
100.3 PROPERTY HELD FOR FUTURE USE	0	0	0	0	0	0	0	0	0
LESS: 171 & 172 DEP. & AMORT. RESERVES	424,233	479,012	546,818	651,760	755,974	598,452	503,823	612,309	755,906
NET TELEPHONE PLANT END OF YEAR(DEC)	$931,301	$939,307	$961,706	$958,539	$929,408	$2,732,042	$2,659,664	$2,485,714	$2,267,312
PRIMARY STATISTICS									
MILES OF: WIRE IN CABLE	4,016	4,016	4,279	4,206	4,318	9,359	12,872	12,872	12,872
AERIAL WIRE	8	8	8	5	6	6	0	0	0
UNDERGROUND CONDUIT (SINGLE DUCT)	0	0	0	0	0	0	0	0	0
CARRIER CHANNEL(TELEPHONE)	2,144	2,144	2,173	2,373	2,374	2,824	3,473	3,473	3,473
NUMBER OF POLES	739	739	739	719	299	299	22	22	22
NUMBER OF CENTRAL OFFICES	2	2	2	2	2	2	2	2	2
ACCESS LINES(RESIDENTIAL)	0	0	0	0	0	678	620	620	582
ACCESS LINES(BUSINESS)	0	0	0	0	0	106	143	147	140
ACCESS LINES(PUBLIC)	0	0	0	0	0	7	7	7	6
ACCESS LINES(TOTAL)	0	0	0	0	0	791	770	774	728

TABLE 19.1

BLOCK1: BALANCE SHEET -- ASSETS
AUGUST 22, 1988

19 ST.JOHN COOP TELEPHONE - TOTAL COMPANY OPERATIONS
BALANCE SHEET - ASSETS AND OTHER DEBITS

		1979	1980	1981	1982	1983	1984	1985	1986	1987
TELEPHONE PLANT										
100.1	TELEPHONE PLANT IN SERVICE	$1,454,914	$1,530,203	$1,717,135	$1,830,677	$1,965,654	$1,984,986	$2,025,703	$2,045,884	$2,064,759
100.2	TELEPHONE PLANT UNDER CONSTRUCTION	0	10,000	0	0	12,604	33,181	41,138	81,233	167,411
100.3	PROPERTY HELD FOR FUTURE TELEPHONE USE	0	0	0	0	0	0	0	0	0
100.4	TELEPHONE PLANT ACQUISITION ADJUSTMENT	0	0	0	0	0	0	0	0	0
171	LESS: DEPRECIATION RESERVE	314,302	405,704	506,881	613,292	738,686	845,359	983,730	1,116,384	1,265,309
172	AMORTIZATION RESERVE	0	0	0	0	0	0	0	0	0
	TOTAL NET TELEPHONE PLANT	$1,140,612	$1,134,499	$1,210,254	$1,217,385	$1,239,572	$1,172,808	$1,083,111	$1,010,733	$966,860
INVESTMENTS AND FUNDS										
101.1	INVESTMENTS IN AFFILIATED COMPANIES	$0	$0	$0	$0	$0	$0	$1,100	$1,600	$1,600
101.2	ADVANCES TO AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
102	OTHER INVESTMENTS	0	0	0	0	0	0	0	0	0
103	MISCELLANEOUS PHYSICAL PROPERTY	2,148	2,472	8,967	9,200	9,200	6,756	6,256	6,256	6,256
104	SINKING FUNDS(EXCLUDING OWN ISSUES)	0	0	0	0	0	0	0	0	0
106	NONREGULATED INVESTMENT	0	0	0	0	0	0	0	0	0
136	PROVIDENT FUNDS(EXCLUDING OWN ISSUES)	4,749	5,274	5,823	6,399	7,027	7,736	8,213	9,700	10,568
	TOTAL INVESTMENTS AND FUNDS	$6,897	$7,746	$14,790	$15,599	$16,227	$14,492	$15,569	$17,556	$18,424
CURRENT ASSETS										
113	CASH	$33,772	$70,877	$108,619	$82,140	$64,464	$7,216	$67,917	$121,376	$86,110
114	SPECIAL CASH DEPOSITS	0	0	0	0	0	0	0	0	0
115	WORKING FUNDS	70	80	80	80	80	80	80	78	78
116	TEMPORARY CASH INVESTMENTS	42,462	50,592	72,850	109,382	119,471	191,847	249,778	236,115	249,777
117.1	NOTES RECEIVABLE FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	246,744	294,549
117.2	OTHER NOTES RECEIVABLE	0	0	0	33,140	40,108	139,167	136,663	0	0
118	DUE FROM CUSTOMERS AND AGENTS	3,484	4,852	4,745	8,984	4,664	11,669	9,383	6,224	5,632
120.1	ACCTS RECEIVABLE FROM AFFILIATED COMPANIES	3,263	1,060	0	0	0	0	0	27,461	96,957
120.2	OTHER ACCOUNTS RECEIVABLE	32,642	7,424	27,556	11,751	11,892	37,700	31,656	9,124	10,278
121	INTEREST AND DIVIDENDS RECEIVABLE	524	1,149	4,037	0	0	0	0	0	0
122	MATERIAL AND SUPPLIES	15,452	15,476	13,984	12,730	26,808	26,798	29,693	40,071	37,612
123	OTHER CURRENT ASSETS	0	0	0	0	0	0	0	0	0
	TOTAL CURRENT ASSETS	$131,669	$151,510	$231,871	$258,207	$267,487	$414,477	$525,171	$687,193	$781,014
PREPAID ACCOUNTS AND DEFERRED CHARGES										
129	PREPAID RENTS	$269	$248	$226	$204	$203	$203	$141	$141	$463
130	PREPAID TAXES	27,961	40,540	19,077	10,332	2,898	0	0	0	0
131	PREPAID INSURANCE	3,132	3,055	3,052	3,171	1,332	1,274	1,453	2,334	3,467
132	PREPAID DIRECTORY EXPENSESS	0	0	0	0	0	0	0	0	0
133	OTHER PREPAYMENTS	454	823	854	1,043	1,226	1,299	1,940	11,076	1,593
135	DISCOUNT ON LONG-TERM DEBT	3,804	3,642	3,481	3,320	3,158	2,998	2,837	2,675	2,514
138	EXTRAORDINARY MAINTENANCE & RETIREMENTS	0	0	0	0	0	0	0	0	0
139	OTHER DEFERRED CHARGES	0	0	0	0	0	0	0	0	0
	TOTAL PREPAID ACCOUNTS & DEFERRED CHARGES	$35,620	$48,308	$26,690	$18,070	$8,817	$5,774	$6,370	$16,226	$8,036
	TOTAL ASSETS AND OTHER DEBITS	$1,314,798	$1,342,063	$1,483,605	$1,509,261	$1,532,103	$1,607,551	$1,630,221	$1,731,708	$1,774,334

TABLE 19.2

BLOCK 2: BALANCE SHEET -- LIABILITIES
AUGUST 22, 1988

19 ST.JOHN COOP TELEPHONE - TOTAL COMPANY OPERATIONS
BALANCE SHEET - LIABILITIES AND OTHER CREDITS

		1979	1980	1981	1982	1983	1984	1985	1986	1987
STOCKHOLDERS EQUITY										
150	CAPITAL STOCK (ACTUALLY OUTSTANDING)	$40,580	$41,680	$41,380	$41,380	$41,380	$41,380	$40,280	$40,280	$40,120
152	PREMIUM ON CAPITAL STOCK	0	0	0	0	0	0	0	0	0
179	OTHER CAPITAL	0	0	0	0	0	0	0	0	0
180	RETAINED EARNINGS RESERVED	0	0	0	0	0	0	0	0	0
181	UNAPPROPRIATED RETAINED EARNINGS	471,740	498,456	595,310	649,104	713,400	791,850	855,217	958,014	1,055,800
134.1	LESS: DISCOUNT ON CAPITAL STOCK	0	0	0	0	0	0	0	0	0
134.2	CAPITAL STOCK EXPENSE	0	0	0	0	0	0	0	0	0
	TOTAL NET STOCKHOLDERS' EQUITY	$512,320	$540,136	$636,690	$690,484	$754,780	$833,230	$895,497	$998,294	$1,095,920
LONG-TERM DEBT										
154.1	FUNDED DEBT	$639,518	$650,848	$681,163	$657,241	$632,842	$637,918	$610,445	$592,428	$553,844
156	ADVANCES FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
157	OTHER LONG-TERM DEBT	0	0	0	0	0	0	0	0	0
	TOTAL LONG-TERM DEBT	$639,518	$650,848	$681,163	$657,241	$632,842	$637,918	$610,445	$592,428	$553,844
CURRENT AND ACCRUED LIABILITIES										
158.1	NOTES PAYABLE TO AFFILIATED COMPANIES	$0	$0	$0	$0	$0	$0	$0	$0	$0
158.2	OTHER NOTES PAYABLE	0	0	0	0	0	0	0	0	0
159.1	ACCOUNTS PAYABLE TO AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
159.2	OTHER ACCOUNTS PAYABLE	62,488	50,390	52,245	31,969	19,396	22,493	8,369	28,283	46,233
160	CUSTOMERS' DEPOSITS	325	445	505	475	475	105	105	200	125
162	MATURED INTEREST AND DIVIDENDS	0	0	0	0	0	0	0	0	0
163	MATURED LONG-TERM DEBT	0	0	0	0	0	0	0	0	0
164	ADVANCE BILLING AND PAYMENTS	0	0	0	0	0	0	0	0	0
165	OTHER CURRENT LIABILITIES	9,881	12,169	8,900	19,088	11,065	0	50	0	209
166	TAXES ACCRUED	4,638	2,670	5,888	4,647	3,184	4,217	15,904	30,546	24,805
167	UNMATURED INTEREST, DIV. & RENTS ACCRUED	60	90	120	150	180	0	0	0	0
	TOTAL CURRENT AND ACCRUED LIABILITIES	$77,392	$65,764	$67,650	$56,329	$34,300	$26,815	$24,428	$59,029	$71,373
DEFERRED CREDITS AND OPERATING RESERVES										
168	PREMIUM ON LONG-TERM DEBT	$0	$0	$0	$0	$0	$0	$0	$0	$0
169	INSURANCE RESERVES	0	0	0	0	0	0	0	0	0
170	PROVIDENT RESERVES	0	0	0	0	0	0	0	0	0
174	OTHER DEFERRED CREDITS	85,568	85,313	95,143	96,507	95,501	87,337	79,132	62,626	46,248
176.1	ACCUM.DEFERRED INCOME TAXES-ACC. TAX DEP.	0	0	2,949	8,700	14,680	22,251	20,717	19,331	6,950
176.2	ACCUM.DEFERRED INCOME TAXES - OTHER	0	0	0	0	0	0	0	0	0
	TOTAL DEFERRED CREDITS & OPERATING RESERVES	$85,568	$85,313	$98,092	$105,207	$110,181	$109,588	$99,850	$81,957	$53,198
	TOTAL LIABILITIES AND OTHER CREDITS	$1,314,798	$1,342,061	$1,483,603	$1,509,261	$1,532,103	$1,607,551	$1,630,221	$1,731,708	$1,774,334

TABLE 19.3

BLOCK 3:
AUGUST 22, 1988

19 ST.JOHN COOP TELEPHONE - TOTAL COMPANY OPERATIONS
INCOME AND RETAINED EARNINGS STATEMENT

	1979	1980	1981	1982	1983	1984	1985	1986	1987
NET INCOME									
NET OPERATING INCOME -WASHINGTON	$85,436	$43,782	$110,512	$59,464	$75,417	$73,504	$51,445	$95,638	$92,318
-OTHER STATES	0	0	0	0	0	0	0	0	0
TOTAL NET OPERATING INCOME	$85,436	$43,782	$110,512	$59,464	$75,417	$73,504	$51,445	$95,638	$92,318
INTEREST CHARGED TO CONSTRUCTION	0	0	0	0	0	0	0	0	0
OTHER INCOME	3,566	6,416	11,227	21,746	14,708	23,365	45,511	37,926	43,009
MISCELLANEOUS DEDUCTIONS FROM INCOME	568	983	1,876	3,467	2,205	3,505	7,351	9,996	13,365
INTEREST ON FUNDED DEBT	9,135	12,817	13,111	13,438	12,960	12,763	12,548	11,998	11,443
OTHER FIXED CHARGES	174	246	736	166	217	349	168	170	169
EXTRAORDINARY/DELAYED ITEMS BEFORE TAX EFFECT	0	0	0	0	0	0	0	0	0
INCOME TAX EFFECT OF EXTRAORDINARY/DELAYED ITEMS	0	0	0	0	0	0	0	0	0
NET INCOME	$79,125	$36,152	$106,016	$64,139	$74,743	$80,252	$76,889	$111,400	$110,350
RETAINED EARNINGS (ACCOUNT 181)									
BALANCE AT BEGINNING OF YEAR	$398,926	$471,740	$498,456	$595,311	$649,105	$713,401	$791,850	$855,217	$958,014
CREDITS: NET INCOME(AS ABOVE)	$79,126	$36,152	$106,016	$64,139	$74,743	$80,252	$76,889	$111,400	$110,350
OTHER CREDITS	0	0	0	0	0	8,543	0	1,465	0
TOTAL CREDITS	$79,126	$36,152	$106,016	$64,139	$74,743	$88,795	$76,889	$112,865	$110,350
DEBITS: DIVIDEND APPROPRIATIONS	$6,312	$8,336	$8,336	$10,345	$10,345	$10,345	$10,345	$10,070	$12,084
OTHER DEBITS	0	1,100	825	0	102	0	3,176	0	480
TOTAL DEBITS	$6,312	$9,436	$9,161	$10,345	$10,447	$10,345	$13,521	$10,070	$12,564
BALANCE AT END OF YEAR	$471,740	$498,456	$595,311	$649,105	$713,401	$791,851	$855,218	$958,012	$1,055,800

TABLE 19.4

BLOCK 4:
AUGUST 22, 1988

19 ST.JOHN COOP TELEPHONE - TOTAL COMPANY OPERATIONS
NET OPERATING INCOME AND PLANT STATISTICS

	1979	1980	1981	1982	1983	1984	1985	1986	1987
OPERATING REVENUES									
LOCAL SERVICE	$76,426	$87,980	$103,807	$106,500	$111,936	$122,870	$120,875	$124,978	$134,559
ACCESS REVENUES	0	0	0	0	0	0	0	9,381	13,682
TOLL SERVICE	236,851	228,456	344,084	319,796	389,313	392,134	351,258	400,860	406,164
MISCELLANEOUS	726	787	4,109	3,591	2,754	1,571	2,982	3,079	3,437
UNCOLLECTIBLES - DEBIT	521	422	2,033	1,375	5,271	1,243	252	2,374	603
TOTAL OPERATING REVENUES	$313,482	$316,801	$449,967	$428,512	$498,732	$515,332	$474,863	$535,924	$557,239
OPERATING REVENUE EXPENSES									
MAINTENANCE	$27,903	$31,963	$33,395	$38,278	$50,799	$69,091	$72,950	$63,292	$76,310
DEPRECIATION AND AMORTIZATION	66,842	91,350	107,386	120,946	130,370	135,233	141,227	137,694	150,448
TRAFFIC	937	1,424	2,191	3,716	2,722	4,073	3,621	3,982	2,108
COMMERCIAL	8,393	12,545	11,426	16,814	20,559	21,977	19,267	23,310	28,580
ACCESS EXPENSES	0	0	0	0	0	0	0	0	0
GENERAL OFFICE	65,901	98,827	109,416	132,468	153,548	147,318	135,532	148,142	144,093
OTHER OPERATING EXPENSES	13,872	19,983	21,873	26,125	26,496	31,692	30,941	32,847	31,803
TOTAL OPERATING REVENUE EXPENSES	$183,848	$256,092	$285,687	$338,347	$384,494	$409,384	$403,537	$409,267	$433,342
INVESTMENT CREDIT - NET	$49,625	($131)	$9,847	$1,890	($1,005)	($8,164)	($8,204)	($16,506)	($16,379)
FEDERAL INCOME TAXES	(22,879)	(3,141)	13,571	(6,831)	5,229	6,576	5,934	24,926	36,634
OTHER OPERATING TAXES	17,453	20,200	27,403	29,891	28,617	26,461	23,686	23,985	23,705
OPERATING FED.INCOME TAX DEFER - ACC.DEP	0	0	2,749	5,751	5,980	7,571	(1,534)	0	0
OPER.FED. INCOME TAX DEFER - OTHER	0	0	0	0	0	0	0	0	0
INC. CREDITS FROM PRIOR FED. TAXES	0	0	0	0	0	0	0	1,386	12,381
TOTAL OPERATING TAXES	$44,199	$16,928	$53,770	$30,701	$38,821	$32,444	$19,881	$31,019	$31,579
TOTAL OPERATING REV DEDUCTIONS	$228,047	$273,020	$339,457	$369,048	$423,315	$441,828	$423,418	$440,286	$464,922
NET OPERATING INCOME	$85,435	$43,781	$110,510	$59,464	$75,417	$73,504	$51,445	$95,638	$92,318
100.1 TELEPHONE PLANT IN SERVICE	$1,454,914	$1,530,203	$1,717,135	$1,830,677	$1,965,655	$1,984,986	$2,025,703	$2,045,884	$2,064,759
100.3 PROPERTY HELD FOR FUTURE USE	0	0	0	0	0	0	0	0	0
LESS: 171 & 172 DEP. & AMORT. RESERVES	314,302	405,704	506,881	613,292	738,686	845,359	983,730	1,116,384	1,265,309
NET TELEPHONE PLANT END OF YEAR(DEC)	$1,140,612	$1,124,499	$1,210,254	$1,217,385	$1,226,969	$1,139,627	$1,041,972	$929,500	$799,450
PRIMARY STATISTICS									
MILES OF: WIRE IN CABLE	5,224	5,261	5,262	5,265	5,265	5,265	5,265	5,265	5,265
AERIAL WIRE	1	1	1	0	0	0	0	0	0
UNDERGROUND CONDUIT (SINGLE DUCT)	0	0	0	0	0	0	0	0	0
CARRIER CHANNEL(TELEPHONE)	0	0	0	0	0	0	0	0	0
NUMBER OF POLES	138	138	138	0	0	0	0	0	0
NUMBER OF CENTRAL OFFICES	1	1	1	1	1	1	1	1	1
ACCESS LINES(RESIDENTIAL)	0	0	0	0	0	489	468	457	460
ACCESS LINES(BUSINESS)	0	0	0	0	0	64	68	67	64
ACCESS LINES(PUBLIC)	0	0	0	0	0	4	4	4	4
ACCESS LINES(TOTAL)	0	0	0	0	0	557	540	528	528

TABLE 20.1

BLOCK1: BALANCE SHEET -- ASSETS
JULY 28, 1988

20 TELEPHONE UTILITIES - TOTAL COMPANY OPERATIONS
BALANCE SHEET - ASSETS AND OTHER DEBITS

	1979	1980	1981	1982	1983	1984	1985	1986	1987
TELEPHONE PLANT									
100.1 TELEPHONE PLANT IN SERVICE	$70,413,335	$82,268,833	$94,381,059	$103,274,075	$108,022,562	$116,875,524	$124,302,296	$132,563,044	$139,060,843
100.2 TELEPHONE PLANT UNDER CONSTRUCTION	1,601,459	2,095,457	1,835,468	1,097,117	3,640,368	1,166,967	3,299,489	1,244,523	2,531,600
100.3 PROPERTY HELD FOR FUTURE TELEPHONE USE	222,714	178,859	0	0	0	0	0	0	0
100.4 TELEPHONE PLANT ACQUISITION ADJUSTMENT	131,386	111,921	92,456	73,132	73,132	73,132	73,132	73,132	73,132
171 LESS: DEPRECIATION RESERVE	14,394,629	16,555,478	18,829,985	23,473,568	28,097,771	30,630,833	34,980,805	40,896,780	46,688,236
172 AMORTIZATION RESERVE	0	0	0	0	0	0	0	0	0
TOTAL NET TELEPHONE PLANT	$57,974,265	$68,099,592	$77,478,998	$80,970,756	$83,638,291	$87,484,790	$92,694,112	$92,983,919	$94,977,339
INVESTMENTS AND FUNDS									
101.1 INVESTMENTS IN AFFILIATED COMPANIES	$0	$0	$0	$0	$0	$0	$0	$0	$0
101.2 ADVANCES TO AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
102 OTHER INVESTMENTS	0	0	0	0	0	0	0	0	0
103 MISCELLANEOUS PHYSICAL PROPERTY	0	0	0	0	0	2,690	56,218	53,829	50,216
104 SINKING FUNDS(EXCLUDING OWN ISSUES)	0	0	0	0	0	0	0	0	0
106 NONREGULATED INVESTMENT	0	0	0	0	0	0	196,942	682,105	339,822
136 PROVIDENT FUNDS(EXCLUDING OWN ISSUES)	0	0	0	0	0	0	0	0	0
TOTAL INVESTMENTS AND FUNDS	$0	$0	$0	$0	$0	$2,690	$253,160	$735,934	$390,038
CURRENT ASSETS									
113 CASH	$2,855	$3,255	$3,330	$3,330	$3,824	$4,174	$3,789	$4,050	$4,100
114 SPECIAL CASH DEPOSITS	0	0	0	0	0	0	0	0	0
115 WORKING FUNDS	0	0	0	0	0	0	0	0	0
116 TEMPORARY CASH INVESTMENTS	0	0	0	0	0	0	0	0	0
117.1 NOTES RECEIVABLE FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
117.2 OTHER NOTES RECEIVABLE	0	0	0	0	0	0	0	0	0
118 DUE FROM CUSTOMERS AND AGENTS	2,447,323	2,663,090	2,451,370	2,721,977	3,018,475	3,933,626	4,724,020	5,478,288	10,070,062
120.1 ACCTS RECEIVABLE FROM AFFILIATED COMPANIES	0	0	0	0	0	0	1,575,348	3,315,184	2,188,103
120.2 OTHER ACCOUNTS RECEIVABLE	110,784	671,666	471,518	3,791,208	4,101,938	1,596,640	146,929	89,047	203,591
121 INTEREST AND DIVIDENDS RECEIVABLE	0	0	0	0	0	0	0	0	0
122 MATERIAL AND SUPPLIES	1,436,334	1,210,828	1,628,968	1,714,856	1,007,635	979,738	881,697	1,198,865	939,064
123 OTHER CURRENT ASSETS	0	0	0	0	0	0	0	0	0
TOTAL CURRENT ASSETS	$3,997,296	$4,548,839	$4,555,186	$8,231,371	$8,131,872	$6,514,178	$7,331,783	$10,085,434	$13,404,920
PREPAID ACCOUNTS AND DEFERRED CHARGES									
129 PREPAID RENTS	$0	$0	$0	$0	$0	$10,640	$6,808	$6,808	$132,196
130 PREPAID TAXES	0	0	0	0	0	0	0	0	0
131 PREPAID INSURANCE	0	0	0	0	0	8,230	412	17,695	0
132 PREPAID DIRECTORY EXPENSESS	0	0	0	0	0	0	0	0	0
133 OTHER PREPAYMENTS	0	0	0	0	400	0	0	0	2,087
135 DISCOUNT ON LONG-TERM DEBT	134,156	127,957	113,883	103,928	94,260	85,446	80,965	92,987	81,620
138 EXTRAORDINARY MAINTENANCE & RETIREMENTS	0	0	0	0	0	0	0	0	0
139 OTHER DEFERRED CHARGES	916	4,000	5,868	193	55,338	0	(31)	0	0
TOTAL PREPAID ACCOUNTS & DEFERRED CHARGES	$135,072	$131,957	$119,751	$104,121	$149,998	$104,316	$88,154	$117,490	$215,903
TOTAL ASSETS AND OTHER DEBITS	$62,106,633	$72,780,388	$82,153,935	$89,306,248	$91,920,161	$94,105,974	$100,367,209	$103,922,777	$108,988,200

TABLE 20.2

BLOCK 2: BALANCE SHEET -- LIABILITIES
JULY 28, 1988

20 TELEPHONE UTILITIES - TOTAL COMPANY OPERATIONS
BALANCE SHEET - LIABILITIES AND OTHER CREDITS

		1979	1980	1981	1982	1983	1984	1985	1986	1987
STOCKHOLDERS EQUITY										
150	CAPITAL STOCK (ACTUALLY OUTSTANDING)	$638,500	$638,500	$638,500	$638,500	$638,500	$638,500	$638,500	$638,500	$638,500
152	PREMIUM ON CAPITAL STOCK	5,178,952	5,178,952	5,178,952	5,178,952	5,178,952	5,178,952	5,178,952	5,178,952	5,178,952
179	OTHER CAPITAL	3,969,690	3,969,690	3,969,690	3,969,690	3,969,690	3,969,690	3,969,690	3,969,690	3,969,690
180	RETAINED EARNINGS RESERVED	0	0	0	0	0	0	0	0	0
181	UNAPPROPRIATED RETAINED EARNINGS	19,183,964	22,443,916	25,248,748	29,162,083	33,563,226	38,617,013	43,525,647	47,136,384	52,004,770
134.1	LESS: DISCOUNT ON CAPITAL STOCK	0	0	0	0	0	0	0	0	0
134.2	CAPITAL STOCK EXPENSE	0	0	0	0	0	0	0	0	0
	TOTAL NET STOCKHOLDERS' EQUITY	$28,971,106	$32,231,058	$35,035,890	$38,949,225	$43,350,368	$48,404,155	$53,312,789	$56,923,526	$61,791,912
LONG-TERM DEBT										
154.1	FUNDED DEBT	$12,798,961	$12,036,746	$11,352,648	$10,667,700	$9,982,248	$9,296,247	$18,553,816	$17,501,057	$16,859,692
156	ADVANCES FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
157	OTHER LONG-TERM DEBT	800	5,000,000	5,000,000	5,000,000	0	0	0	0	0
	TOTAL LONG-TERM DEBT	$12,799,761	$17,036,746	$16,352,648	$15,667,700	$9,982,248	$9,296,247	$18,553,816	$17,501,057	$16,859,692
CURRENT AND ACCRUED LIABILITIES										
158.1	NOTES PAYABLE TO AFFILIATED COMPANIES	$0	$0	$0	$0	$0	$0	$0	$0	$0
158.2	OTHER NOTES PAYABLE	0	0	0	0	5,000,000	5,000,000	0	0	0
159.1	ACCOUNTS PAYABLE TO AFFILIATED COMPANIES	8,748,385	9,230,663	15,093,717	16,833,010	11,941,904	8,603,325	415,840	303,790	0
159.2	OTHER ACCOUNTS PAYABLE	1,982,938	2,130,817	765,466	753,599	2,587,846	1,427,854	2,973,678	3,523,095	4,452,844
160	CUSTOMERS' DEPOSITS	69,378	92,782	190,758	218,606	235,989	143,471	109,891	138,410	164,134
162	MATURED INTEREST AND DIVIDENDS	0	0	0	0	0	0	0	0	0
163	MATURED LONG-TERM DEBT	0	0	0	0	0	0	0	0	0
164	ADVANCE BILLING AND PAYMENTS	671,860	525,393	565,984	614,296	611,559	655,537	608,186	636,218	781,661
165	OTHER CURRENT LIABILITIES	220,864	587,168	0	0	0	0	22,070	0	0
166	TAXES ACCRUED	686,628	641,574	1,220,236	1,405,420	1,047,205	1,202,867	1,819,433	1,865,810	1,960,278
167	UNMATURED INTEREST, DIV. & RENTS ACCRUED	121,866	127,183	88,090	81,759	446,637	121,483	145,067	223,984	313,269
	TOTAL CURRENT AND ACCRUED LIABILITIES	$12,501,919	$13,335,580	$17,924,251	$19,906,690	$21,871,140	$17,154,537	$6,094,165	$6,691,307	$7,672,186
DEFERRED CREDITS AND OPERATING RESERVES										
168	PREMIUM ON LONG-TERM DEBT	$0	$0	$0	$0	$0	$0	$0	$0	$0
169	INSURANCE RESERVES	0	0	0	0	0	0	0	0	0
170	PROVIDENT RESERVES	0	0	0	0	0	0	0	0	0
174	OTHER DEFERRED CREDITS	3,592,518	4,768,438	5,952,780	6,855,267	7,177,839	7,676,469	7,981,873	7,467,321	6,661,844
176.1	ACCUM.DEFERRED INCOME TAXES-ACC. TAX DEP.	3,735,216	4,768,459	6,232,959	7,748,559	9,582,759	11,761,759	14,709,759	15,700,759	16,324,759
176.2	ACCUM.DEFERRED INCOME TAXES - OTHER	506,113	640,107	655,407	178,807	(44,193)	(187,193)	(285,193)	(361,193)	(322,193)
	TOTAL DEFERRED CREDITS & OPERATING RESERVES	$7,833,847	$10,177,004	$12,841,146	$14,782,633	$16,716,405	$19,251,035	$22,406,439	$22,806,887	$22,664,410
	TOTAL LIABILITIES AND OTHER CREDITS	$62,106,633	$72,780,388	$82,153,935	$89,306,248	$91,920,161	$94,105,974	$100,367,209	$103,922,777	$108,988,200

TABLE 20.3

BLOCK3 -- INCOME AND RETAINED EARNINGS
JULY 28, 1988

20 TELEPHONE UTILITIES -- TOTAL COMPANY OPERATIONS
INCOME AND RETAINED EARNINGS STATEMENT

	1979	1980	1981	1982	1983	1984	1985	1986	1987
NET INCOME									
NET OPERATING INCOME -WASHINGTON	$5,789,314	$7,423,437	$8,086,964	$7,563,466	$7,606,755	$9,323,883	$10,435,548	$9,262,940	$11,208,983
-OTHER STATES	0	0	0	0	0	0	0	0	0
TOTAL NET OPERATING INCOME	$5,789,314	$7,423,437	$8,086,964	$7,563,466	$7,606,755	$9,323,883	$10,435,548	$9,262,940	$11,208,983
INTEREST CHARGED TO CONSTRUCTION	5,847	0	0	0	0	0	0	0	0
OTHER INCOME	(11,635)	4,000	8,666	4,250	(2,612)	(249,851)	(202,987)	(326,050)	336,205
MISCELLANEOUS DEDUCTIONS FROM INCOME	0	0	2,318	0	(870)	0	0	0	2,605
INTEREST ON FUNDED DEBT	1,082,654	1,229,543	1,925,451	1,583,446	873,188	780,708	763,230	1,694,163	1,632,860
OTHER FIXED CHARGES	38,794	192,392	106,679	410,835	734,432	640,842	463,125	30,850	34,219
EXTRAORDINARY/DELAYED ITEMS BEFORE TAX EFFECT	0	0	0	0	0	0	0	0	0
INCOME TAX EFFECT OF EXTRAORDINARY/DELAYED ITEMS	0	0	0	0	0	0	0	0	0
NET INCOME	$4,662,078	$6,005,502	$6,061,182	$5,573,435	$5,997,393	$7,652,482	$9,006,206	$7,211,877	$9,875,504
RETAINED EARNINGS (ACCOUNT 181)									
BALANCE AT BEGINNING OF YEAR	$16,411,846	$19,183,964	$22,443,916	$25,248,748	$29,162,083	$33,563,226	$38,617,013	$43,525,647	$47,136,384
CREDITS: NET INCOME(AS ABOVE)	$4,662,078	$6,005,502	$6,061,182	$5,573,435	$5,997,393	$7,652,482	$9,006,206	$7,211,877	$9,875,504
OTHER CREDITS	0	0	0	0	0	0	0	0	0
TOTAL CREDITS	$4,662,078	$6,005,502	$6,061,182	$5,573,435	$5,997,393	$7,652,482	$9,006,206	$7,211,877	$9,875,504
DEBITS: DIVIDEND APPROPRIATIONS	$1,889,960	$2,745,550	$3,256,350	$1,660,100	$1,596,250	$2,598,695	$4,097,572	$3,601,140	$5,007,118
OTHER DEBITS	0	0	0	0	0	0	0	0	0
TOTAL DEBITS	$1,889,960	$2,745,550	$3,256,350	$1,660,100	$1,596,250	$2,598,695	$4,097,572	$3,601,140	$5,007,118
BALANCE AT END OF YEAR	$19,183,964	$22,443,916	$25,248,748	$29,162,083	$33,563,226	$38,617,013	$43,525,647	$47,136,384	$52,004,770

TABLE 20.4

BLOCK4: NET INCOME & PLANT STATS.
JULY 28, 1988

20 TELEPHONE UTILITIES - TOTAL COMPANY OPERATIONS
NET OPERATING INCOME AND PLANT STATISTICS

	1979	1980	1981	1982	1983	1984	1985	1986	1987
OPERATING REVENUES									
LOCAL SERVICE	$6,803,658	$7,646,515	$8,305,498	$8,977,662	$9,440,849	$9,826,651	$9,335,066	$9,500,005	$10,807,229
ACCESS REVENUES	0	0	0	0	0	30,355,782	33,059,248	33,385,749	32,510,897
TOLL SERVICE	16,535,872	21,831,819	23,542,982	28,498,617	29,107,473	326,251	122,643	0	106,534
MISCELLANEOUS	740,926	971,918	1,121,470	1,302,222	1,411,213	3,132,001	3,637,297	5,579,666	7,673,965
UNCOLLECTIBLES - DEBIT	197,644	328,669	368,100	293,097	258,086	109,203	75,668	81,760	84,376
TOTAL OPERATING REVENUES	$23,882,812	$30,121,583	$32,601,850	$38,485,404	$39,701,449	$43,531,482	$46,078,586	$48,383,660	$51,014,249
OPERATING REVENUE EXPENSES									
MAINTENANCE	$4,962,273	$6,657,131	$6,870,114	$9,163,814	$8,578,744	$8,723,974	$8,386,958	$8,421,741	$8,878,309
DEPRECIATION AND AMORTIZATION	4,088,291	4,767,596	5,425,518	6,573,594	6,738,885	6,822,307	7,009,681	9,506,585	9,765,494
TRAFFIC	180,135	209,995	256,563	528,346	578,681	533,863	354,948	1,054,950	1,261,253
COMMERCIAL	1,310,555	1,679,995	1,849,746	2,220,982	2,387,885	2,669,244	2,638,114	2,864,697	2,835,849
ACCESS EXPENSES	0	0	0	0	0	0	0	0	0
GENERAL OFFICE	1,059,770	1,858,145	2,216,184	4,058,644	5,313,741	6,484,628	6,020,555	6,542,362	6,712,158
OTHER OPERATING EXPENSES	831,417	1,037,728	1,268,442	2,121,932	2,346,908	1,519,958	2,453,952	3,226,936	2,753,044
TOTAL OPERATING REVENUE EXPENSES	$12,432,441	$16,210,590	$17,886,567	$24,667,312	$25,944,844	$26,753,974	$26,864,208	$31,617,271	$32,206,107
INVESTMENT CREDIT - NET	$1,167,000	$1,017,600	$1,064,000	$638,700	$375,000	$474,000	$225,000	($342,000)	($699,000)
FEDERAL INCOME TAXES	1,883,000	2,593,900	2,097,200	2,385,000	2,206,000	3,139,000	3,746,000	4,809,000	5,421,000
OTHER OPERATING TAXES	1,818,057	1,708,756	1,987,319	2,191,926	1,855,850	1,804,625	1,957,830	2,121,449	2,214,159
OPERATING FED.INCOME TAX DEFER - ACC.DEP	717,000	1,033,300	1,464,500	1,515,600	1,936,000	2,179,000	2,948,000	991,000	799,000
OPER.FED. INCOME TAX DEFER - OTHER	76,000	134,000	15,300	(476,600)	(223,000)	(143,000)	(98,000)	476,000	39,000
INC. CREDITS FROM PRIOR FED. TAXES	0	0	0	0	0	0	0	0	175,000
TOTAL OPERATING TAXES	$5,661,057	$6,487,556	$6,628,319	$6,254,626	$6,149,850	$7,453,625	$8,778,830	$7,503,449	$7,599,159
TOTAL OPERATING REV DEDUCTIONS	$18,093,498	$22,698,146	$24,514,886	$30,921,938	$32,094,694	$34,207,599	$35,643,038	$39,120,720	$39,805,266
NET OPERATING INCOME	$5,789,314	$7,423,437	$8,086,964	$7,563,466	$7,606,755	$9,323,883	$10,435,548	$9,262,940	$11,208,983
100.1 TELEPHONE PLANT IN SERVICE	$70,413,335	$82,268,833	$94,381,059	$103,274,075	$108,022,562	$116,875,524	$124,302,296	$132,563,044	$139,060,843
100.3 PROPERTY HELD FOR FUTURE USE	222,714	178,859	0	0	0	0	0	0	0
LESS: 171 & 172 DEP. & AMORT. RESERVES	14,394,629	16,555,478	18,829,985	23,473,568	28,097,771	30,630,833	34,980,805	40,896,780	46,688,236
NET TELEPHONE PLANT END OF YEAR(DEC)	$56,241,420	$65,892,214	$75,551,074	$79,800,507	$79,924,791	$86,244,691	$89,321,491	$91,666,264	$92,372,607
PRIMARY STATISTICS									
MILES OF: WIRE IN CABLE	387,376	445,982	488,013	628,672	637,566	651,927	656,343	668,114	691,219
AERIAL WIRE	7,158	6,578	5,979	5,899	5,540	5,345	5,313	5,294	5,292
UNDERGROUND CONDUIT (SINGLE DUCT)	77	90	90	109	112	112	112	112	112
CARRIER CHANNEL(TELEPHONE)	40,220	58,445	80,389	108,370	117,598	126,150	130,232	159,912	162,674
NUMBER OF POLES	37,975	35,912	33,496	32,189	29,636	26,570	24,824	24,264	23,727
NUMBER OF CENTRAL OFFICES	49	48	47	50	49	48	45	46	46
ACCESS LINES(RESIDENTIAL)	0	0	0	0	0	55,227	56,383	57,832	59,664
ACCESS LINES(BUSINESS)	0	0	0	0	0	9,384	9,906	10,284	11,185
ACCESS LINES(PUBLIC)	0	0	0	0	0	649	683	685	696
ACCESS LINES(TOTAL)	0	0	0	0	0	65,260	66,972	68,801	71,545

TABLE 21.1

BLOCK1: BALANCE SHEET -- ASSETS
AUGUST 23, 1988

21 TENINO TELEPHONE - TOTAL COMPANY OPERATIONS
BALANCE SHEET - ASSETS AND OTHER DEBITS

		1979	1980	1981	1982	1983	1984	1985	1986	1987
TELEPHONE PLANT										
100.1	TELEPHONE PLANT IN SERVICE	$3,183,837	$3,504,016	$3,944,018	$4,150,679	$4,445,038	$4,773,492	$5,057,650	$5,543,546	$5,864,259
100.2	TELEPHONE PLANT UNDER CONSTRUCTION	0	0	0	0	0	1,200	24,138	0	0
100.3	PROPERTY HELD FOR FUTURE TELEPHONE USE	0	0	0	0	0	0	0	0	0
100.4	TELEPHONE PLANT ACQUISITION ADJUSTMENT	0	0	0	0	0	0	0	0	0
171	LESS: DEPRECIATION RESERVE	585,281	777,322	994,737	1,223,497	1,447,701	1,711,794	1,976,860	2,290,014	2,590,780
172	AMORTIZATION RESERVE	0	0	0	0	0	0	0	0	0
	TOTAL NET TELEPHONE PLANT	$2,598,556	$2,726,694	$2,949,281	$2,927,182	$2,997,337	$3,062,898	$3,104,928	$3,253,532	$3,273,479
INVESTMENTS AND FUNDS										
101.1	INVESTMENTS IN AFFILIATED COMPANIES	$0	$0	$0	$0	$0	$0	$0	$0	$0
101.2	ADVANCES TO AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
102	OTHER INVESTMENTS	54,840	55,730	65,554	66,074	68,854	70,304	76,430	78,992	87,368
103	MISCELLANEOUS PHYSICAL PROPERTY	0	0	0	0	0	0	0	0	0
104	SINKING FUNDS(EXCLUDING OWN ISSUES)	0	0	0	0	0	0	0	0	0
106	NONREGULATED INVESTMENT	0	0	0	0	0	0	0	0	18,474
136	PROVIDENT FUNDS(EXCLUDING OWN ISSUES)	0	0	0	0	0	0	0	0	0
	TOTAL INVESTMENTS AND FUNDS	$54,840	$55,730	$65,554	$66,074	$68,854	$70,304	$76,430	$78,992	$105,842
CURRENT ASSETS										
113	CASH	$168,843	$220,440	$303,539	$356,691	$484,517	$721,697	$953,601	$964,274	$1,092,522
114	SPECIAL CASH DEPOSITS	0	0	0	0	0	0	0	0	0
115	WORKING FUNDS	0	0	0	0	0	0	0	0	0
116	TEMPORARY CASH INVESTMENTS	0	0	0	0	0	0	0	0	0
117.1	NOTES RECEIVABLE FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
117.2	OTHER NOTES RECEIVABLE	0	0	0	0	0	0	0	0	0
118	DUE FROM CUSTOMERS AND AGENTS	83,845	85,053	114,943	104,926	109,826	126,087	123,439	113,272	117,122
120.1	ACCTS RECEIVABLE FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
120.2	OTHER ACCOUNTS RECEIVABLE	6,000	0	0	39,300	81,300	91,063	29,168	91,395	66,549
121	INTEREST AND DIVIDENDS RECEIVABLE	0	0	0	0	0	0	0	0	0
122	MATERIAL AND SUPPLIES	0	0	0	0	797	0	0	0	0
123	OTHER CURRENT ASSETS	0	68,719	0	0	1,972	10,044	4,131	4,131	3,890
	TOTAL CURRENT ASSETS	$258,688	$374,212	$418,482	$500,917	$678,412	$948,891	$1,110,339	$1,173,072	$1,280,083
PREPAID ACCOUNTS AND DEFERRED CHARGES										
129	PREPAID RENTS	$0	$0	$0	$0	$0	$0	$0	$0	$0
130	PREPAID TAXES	9,714	24,207	0	0	0	0	0	0	0
131	PREPAID INSURANCE	0	0	0	0	0	0	0	0	0
132	PREPAID DIRECTORY EXPENSESS	0	0	0	0	0	0	0	0	0
133	OTHER PREPAYMENTS	0	0	0	0	0	0	23,989	17,443	15,884
135	DISCOUNT ON LONG-TERM DEBT	2,742	2,646	2,550	2,454	2,358	2,261	2,165	2,069	1,973
138	EXTRAORDINARY MAINTENANCE & RETIREMENTS	0	0	0	0	0	0	0	0	0
139	OTHER DEFERRED CHARGES	0	0	0	0	0	0	0	0	0
	TOTAL PREPAID ACCOUNTS & DEFERRED CHARGES	$12,456	$26,853	$2,550	$2,454	$2,358	$2,261	$26,154	$19,512	$17,857
	TOTAL ASSETS AND OTHER DEBITS	$2,924,540	$3,183,489	$3,435,867	$3,496,627	$3,746,961	$4,084,354	$4,317,851	$4,525,108	$4,677,261

TABLE 21.2

BLOCK 2: BALANCE SHEET -- LIABILITIES
AUGUST 23, 1988

21 TENINO TELEPHONE - TOTAL COMPANY OPERATIONS
BALANCE SHEET - LIABILITIES AND OTHER CREDITS

		1979	1980	1981	1982	1983	1984	1985	1986	1987
STOCKHOLDERS EQUITY										
150	CAPITAL STOCK (ACTUALLY OUTSTANDING)	$97,200	$97,200	$97,200	$97,200	$97,200	$97,200	$97,200	$97,200	$97,200
152	PREMIUM ON CAPITAL STOCK	0	0	0	0	0	0	0	0	0
179	OTHER CAPITAL	0	0	0	0	0	0	0	0	0
180	RETAINED EARNINGS RESERVED	0	0	0	0	0	0	0	0	0
181	UNAPPROPRIATED RETAINED EARNINGS	1,070,353	1,115,084	1,272,390	1,432,309	1,638,000	1,860,123	2,130,105	2,371,794	2,579,150
134.1	LESS: DISCOUNT ON CAPITAL STOCK	0	0	0	0	0	0	0	0	0
134.2	CAPITAL STOCK EXPENSE	0	0	0	0	0	0	0	0	0
	TOTAL NET STOCKHOLDERS' EQUITY	$1,167,553	$1,212,284	$1,369,590	$1,529,509	$1,735,200	$1,957,323	$2,227,305	$2,468,994	$2,676,350
LONG-TERM DEBT										
154.1	FUNDED DEBT	$1,552,803	$1,615,454	$1,714,402	$1,682,767	$1,650,684	$1,615,445	$1,578,808	$1,540,834	$1,501,406
156	ADVANCES FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
157	OTHER LONG-TERM DEBT	0	0	0	0	0	0	0	0	0
	TOTAL LONG-TERM DEBT	$1,552,803	$1,615,454	$1,714,402	$1,682,767	$1,650,684	$1,615,445	$1,578,808	$1,540,834	$1,501,406
CURRENT AND ACCRUED LIABILITIES										
158.1	NOTES PAYABLE TO AFFILIATED COMPANIES	$0	$0	$0	$0	$0	$0	$0	$0	$0
158.2	OTHER NOTES PAYABLE	0	0	0	0	0	0	0	0	0
159.1	ACCOUNTS PAYABLE TO AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
159.2	OTHER ACCOUNTS PAYABLE	66,121	60,410	58,429	10,000	15,445	66,842	30,822	25,378	14,058
160	CUSTOMERS' DEPOSITS	0	0	0	0	0	0	0	0	0
162	MATURED INTEREST AND DIVIDENDS	6,309	10,800	12,161	12,000	12,050	12,050	12,050	12,050	11,400
163	MATURED LONG-TERM DEBT	0	0	0	0	0	0	0	0	0
164	ADVANCE BILLING AND PAYMENTS	0	0	0	0	0	0	0	0	0
165	OTHER CURRENT LIABILITIES	4,050	135,626	66,200	0	0	0	0	0	0
166	TAXES ACCRUED	29,644	44,890	57,166	66,602	73,647	107,302	80,144	47,718	40,849
167	UNMATURED INTEREST, DIV. & RENTS ACCRUED	0	0	0	0	0	0	0	0	0
	TOTAL CURRENT AND ACCRUED LIABILITIES	$106,124	$251,726	$193,956	$88,602	$101,142	$186,194	$123,016	$85,146	$66,307
DEFERRED CREDITS AND OPERATING RESERVES										
168	PREMIUM ON LONG-TERM DEBT	$0	$0	$0	$0	$0	$0	$0	$0	$0
169	INSURANCE RESERVES	0	0	0	0	0	0	0	0	0
170	PROVIDENT RESERVES	0	0	0	0	0	0	0	0	0
174	OTHER DEFERRED CREDITS	98,060	104,025	143,432	152,301	172,116	183,735	191,287	174,170	157,460
176.1	ACCUM.DEFERRED INCOME TAXES-ACC. TAX DEP.	0	0	14,487	43,448	87,819	141,657	197,435	255,964	216,343
176.2	ACCUM.DEFERRED INCOME TAXES - OTHER	0	0	0	0	0	0	0	0	59,395
	TOTAL DEFERRED CREDITS & OPERATING RESERVES	$98,060	$104,025	$157,919	$195,749	$259,935	$325,392	$388,722	$430,134	$433,198
	TOTAL LIABILITIES AND OTHER CREDITS	$2,924,540	$3,183,489	$3,435,867	$3,496,627	$3,746,961	$4,084,354	$4,317,851	$4,525,108	$4,677,261

TABLE 21.3

BLOCK 3:
AUGUST 23, 1988

21 TENINO TELEPHONE - TOTAL COMPANY OPERATIONS
INCOME AND RETAINED EARNINGS STATEMENT

	1979	1980	1981	1982	1983	1984	1985	1986	1987
NET INCOME									
NET OPERATING INCOME -WASHINGTON	$238,884	$111,598	$231,468	$222,455	$273,010	$327,634	$363,893	$304,707	$357,746
-OTHER STATES	0	0	0	0	0	0	0	0	0
TOTAL NET OPERATING INCOME	$238,884	$111,598	$231,468	$222,455	$273,010	$327,634	$363,893	$304,707	$357,746
INTEREST CHARGED TO CONSTRUCTION	0	0	0	0	0	0	0	0	0
OTHER INCOME	3,403	12,125	11,172	26,885	19,792	39,167	52,307	82,423	38,314
MISCELLANEOUS DEDUCTIONS FROM INCOME	670	1,759	4,411	2,638	2,070	2,741	5,679	6,238	2,977
INTEREST ON FUNDED DEBT	52,227	77,137	80,827	85,512	84,709	83,520	82,123	80,787	78,711
OTHER FIXED CHARGES	96	96	96	1,271	332	97	96	96	96
EXTRAORDINARY/DELAYED ITEMS BEFORE TAX EFFECT	0	0	0	0	0	0	0	0	0
INCOME TAX EFFECT OF EXTRAORDINARY/DELAYED ITEMS	0	0	0	0	0	0	0	0	0
NET INCOME	$189,294	$44,731	$157,306	$159,919	$205,691	$280,443	$328,302	$300,009	$314,276
RETAINED EARNINGS (ACCOUNT 181)									
BALANCE AT BEGINNING OF YEAR	$881,059	$1,070,353	$1,115,084	$1,272,390	$1,432,309	$1,638,000	$1,860,123	$2,130,105	$2,371,794
CREDITS: NET INCOME(AS ABOVE)	$189,294	$44,731	$157,306	$159,919	$205,691	$280,443	$328,302	$300,009	$314,276
OTHER CREDITS	0	0	0	0	0	0	0	0	0
TOTAL CREDITS	$189,294	$44,731	$157,306	$159,919	$205,691	$280,443	$328,302	$300,009	$314,276
DEBITS: DIVIDEND APPROPRIATIONS	$0	$0	$0	$0	$0	$58,320	$58,320	$58,320	$106,920
OTHER DEBITS	0	0	0	0	0	0	0	0	0
TOTAL DEBITS	$0	$0	$0	$0	$0	$58,320	$58,320	$58,320	$106,920
BALANCE AT END OF YEAR	$1,070,353	$1,115,084	$1,272,390	$1,432,309	$1,638,000	$1,860,123	$2,130,105	$2,371,794	$2,579,150

TABLE 21.4

BLOCK 4:
AUGUST 23, 1988

21 TENINO TELEPHONE - TOTAL COMPANY OPERATIONS
NET OPERATING INCOME AND PLANT STATISTICS

	1979	1980	1981	1982	1983	1984	1985	1986	1987
OPERATING REVENUES									
LOCAL SERVICE	$170,643	$187,302	$203,048	$216,545	$266,676	$298,246	$297,750	$324,236	$355,300
ACCESS REVENUES	0	0	0	0	0	1,073,738	1,079,863	1,086,181	1,118,622
TOLL SERVICE	636,843	590,971	870,514	987,557	1,056,115	142,949	149,872	146,990	30,051
MISCELLANEOUS	4,025	10,578	9,487	17,219	13,549	24,205	60,661	41,979	130,271
UNCOLLECTIBLES - DEBIT	2,221	(4,118)	(3,437)	975	6,626	14,785	(5,549)	2,630	2,415
TOTAL OPERATING REVENUES	$809,290	$792,969	$1,086,486	$1,220,346	$1,329,714	$1,524,353	$1,593,695	$1,596,756	$1,631,829
OPERATING REVENUE EXPENSES									
MAINTENANCE	$104,084	$106,520	$137,264	$168,844	$162,908	$174,290	$158,534	$166,516	$183,637
DEPRECIATION AND AMORTIZATION	117,302	192,536	211,503	226,055	236,391	244,512	260,824	283,450	292,099
TRAFFIC	3,192	3,781	5,109	17,406	1,702	7,295	6,551	65	1,793
COMMERCIAL	29,732	54,646	57,154	74,073	70,537	62,988	63,882	89,944	87,129
ACCESS EXPENSES	0	0	0	0	0	0	0	0	0
GENERAL OFFICE	158,860	185,832	203,338	235,492	267,962	313,855	307,828	313,504	308,345
OTHER OPERATING EXPENSES	61,906	84,284	91,080	106,992	88,452	105,639	113,046	137,078	128,299
TOTAL OPERATING REVENUE EXPENSES	$475,076	$627,599	$705,448	$828,862	$827,952	$908,579	$910,665	$990,557	$1,001,302
INVESTMENT CREDIT - NET	$28,362	$5,965	$39,407	$8,869	$19,815	$11,619	$7,552	($17,117)	($16,710)
FEDERAL INCOME TAXES	2,688	(14,211)	28,569	57,989	87,563	150,975	185,400	192,132	196,055
OTHER OPERATING TAXES	64,280	62,018	67,107	73,210	77,003	71,708	70,407	67,948	73,662
OPERATING FED.INCOME TAX DEFER - ACC.DEP	0	0	14,487	28,961	44,371	53,838	55,778	58,529	27,152
OPER.FED. INCOME TAX DEFER - OTHER	0	0	0	0	0	0	0	0	(7,378)
INC. CREDITS FROM PRIOR FED. TAXES	0	0	0	0	0	0	0	0	0
TOTAL OPERATING TAXES	$95,330	$53,772	$149,570	$169,029	$228,752	$288,140	$319,137	$301,492	$272,781
TOTAL OPERATING REV DEDUCTIONS	$570,406	$681,371	$855,018	$997,891	$1,056,704	$1,196,719	$1,229,802	$1,292,049	$1,274,083
NET OPERATING INCOME	$238,884	$111,598	$231,468	$222,455	$273,010	$327,634	$363,893	$304,707	$357,746
100.1 TELEPHONE PLANT IN SERVICE	$3,183,837	$3,504,016	$3,944,018	$4,150,679	$4,445,038	$4,773,492	$5,057,650	$5,543,546	$5,864,259
100.3 PROPERTY HELD FOR FUTURE USE	0	0	0	0	0	0	0	0	0
LESS: 171 & 172 DEP. & AMORT. RESERVES	585,281	777,322	994,737	1,223,497	1,447,701	1,711,794	1,976,860	2,290,014	2,590,780
NET TELEPHONE PLANT END OF YEAR(DEC)	$2,598,556	$2,726,694	$2,949,281	$2,927,182	$2,997,337	$3,061,698	$3,080,790	$3,253,532	$3,273,479
PRIMARY STATISTICS									
MILES OF: WIRE IN CABLE	16,436	16,436	18,033	18,382	18,743	20,681	20,870	20,944	20,944
AERIAL WIRE	12	12	10	10	10	10	10	10	10
UNDERGROUND CONDUIT (SINGLE DUCT)	3	3	3	3	4	5	5	5	5
CARRIER CHANNEL(TELEPHONE)	0	0	0	0	0	0	0	0	0
NUMBER OF POLES	625	625	625	625	625	625	625	0	0
NUMBER OF CENTRAL OFFICES	1	1	1	1	1	2	2	2	2
ACCESS LINES(RESIDENTIAL)	0	0	0	0	0	1,557	1,621	1,569	1,669
ACCESS LINES(BUSINESS)	0	0	0	0	0	262	277	276	292
ACCESS LINES(PUBLIC)	0	0	0	0	0	22	20	23	23
ACCESS LINES(TOTAL)	0	0	0	0	0	1,841	1,918	1,868	1,984

TABLE 22.1

BLOCK1: BALANCE SHEET -- ASSETS
JULY 29, 1988

22 TOLEDO TELEPHONE - TOTAL COMPANY OPERATIONS
BALANCE SHEET - ASSETS AND OTHER DEBITS

		1979	1980	1981	1982	1983	1984	1985	1986	1987
TELEPHONE PLANT										
100.1	TELEPHONE PLANT IN SERVICE	$2,085,693	$2,310,813	$2,469,216	$2,534,461	$2,576,994	$2,637,281	$2,722,599	$2,778,704	$2,892,226
100.2	TELEPHONE PLANT UNDER CONSTRUCTION	59,023	48,521	26,651	26,651	30,104	30,536	30,071	36,316	34,992
100.3	PROPERTY HELD FOR FUTURE TELEPHONE USE	0	0	0	0	0	0	0	0	0
100.4	TELEPHONE PLANT ACQUISITION ADJUSTMENT	0	0	0	0	0	0	0	0	0
171	LESS: DEPRECIATION RESERVE	507,587	632,695	745,402	918,142	1,094,699	1,231,862	1,393,438	1,570,774	1,720,042
172	AMORTIZATION RESERVE	0	0	0	0	0	0	0	0	0
	TOTAL NET TELEPHONE PLANT	$1,637,129	$1,726,639	$1,750,465	$1,642,970	$1,512,399	$1,435,955	$1,359,232	$1,244,246	$1,207,176
INVESTMENTS AND FUNDS										
101.1	INVESTMENTS IN AFFILIATED COMPANIES	$0	$0	$0	$0	$500	$500	$500	$500	$0
101.2	ADVANCES TO AFFILIATED COMPANIES	0	0	0	0	19,706	72,793	119,663	118,930	0
102	OTHER INVESTMENTS	51,175	90,175	104,150	131,530	65,042	52,853	57,776	56,431	76,142
103	MISCELLANEOUS PHYSICAL PROPERTY	0	0	2,982	0	0	0	0	0	0
104	SINKING FUNDS(EXCLUDING OWN ISSUES)	0	0	0	0	0	0	0	0	0
106	NONREGULATED INVESTMENT	0	0	0	0	0	0	0	0	0
136	PROVIDENT FUNDS(EXCLUDING OWN ISSUES)	0	0	0	0	0	0	0	0	0
	TOTAL INVESTMENTS AND FUNDS	$51,175	$90,175	$107,132	$131,530	$85,248	$126,146	$177,939	$175,861	$76,142
CURRENT ASSETS										
113	CASH	$16,583	$22,627	$94,205	$23,717	$23,396	$73,631	$214,197	$282,246	$42,196
114	SPECIAL CASH DEPOSITS	0	0	0	0	0	0	0	0	0
115	WORKING FUNDS	0	0	0	0	0	0	0	0	0
116	TEMPORARY CASH INVESTMENTS	0	0	0	0	0	0	0	0	0
117.1	NOTES RECEIVABLE FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
117.2	OTHER NOTES RECEIVABLE	0	0	0	0	0	0	0	0	0
118	DUE FROM CUSTOMERS AND AGENTS	50,112	61,169	76,449	59,253	78,795	76,656	84,684	87,712	92,653
120.1	ACCTS RECEIVABLE FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
120.2	OTHER ACCOUNTS RECEIVABLE	0	40,163	29,600	71,917	224,749	177,612	66,210	59,359	43,529
121	INTEREST AND DIVIDENDS RECEIVABLE	0	0	0	0	0	0	0	0	0
122	MATERIAL AND SUPPLIES	0	0	0	0	0	0	0	0	0
123	OTHER CURRENT ASSETS	0	0	0	32,616	32,376	23,091	13,821	17,073	17,073
	TOTAL CURRENT ASSETS	$66,695	$123,959	$200,254	$187,503	$359,316	$350,990	$378,912	$446,390	$195,451
PREPAID ACCOUNTS AND DEFERRED CHARGES										
129	PREPAID RENTS	$0	$0	$0	$0	$0	$0	$0	$0	$0
130	PREPAID TAXES	1,694	395	400	0	0	0	0	0	0
131	PREPAID INSURANCE	450	381	76	8,569	0	0	0	0	0
132	PREPAID DIRECTORY EXPENSESS	0	0	0	0	0	0	0	0	0
133	OTHER PREPAYMENTS	0	0	0	0	0	6,753	6,405	1,857	876
135	DISCOUNT ON LONG-TERM DEBT	4,277	4,131	3,985	3,838	3,691	3,544	3,399	3,253	3,107
138	EXTRAORDINARY MAINTENANCE & RETIREMENTS	0	0	0	0	0	0	0	0	0
139	OTHER DEFERRED CHARGES	1,146	1,624	1,943	1,943	1,943	1,943	1,943	1,943	1,943
	TOTAL PREPAID ACCOUNTS & DEFERRED CHARGES	$7,567	$6,531	$6,404	$14,350	$5,634	$12,240	$11,747	$7,053	$5,926
	TOTAL ASSETS AND OTHER DEBITS	$1,762,566	$1,947,304	$2,064,255	$1,976,353	$1,962,597	$1,925,331	$1,927,830	$1,873,550	$1,484,695

TABLE 22.2

BLOCK 2: BALANCE SHEET -- LIABILITIES
JULY 29, 1988

22 TOLEDO TELEPHONE - TOTAL COMPANY OPERATIONS
BALANCE SHEET - LIABILITIES AND OTHER CREDITS

		1979	1980	1981	1982	1983	1984	1985	1986	1987
STOCKHOLDERS EQUITY										
150	CAPITAL STOCK (ACTUALLY OUTSTANDING)	$23,000	$23,000	$23,000	$23,000	$23,000	$23,000	$23,000	$23,000	$23,000
152	PREMIUM ON CAPITAL STOCK	0	0	0	0	0	0	0	0	0
179	OTHER CAPITAL	0	0	0	0	0	0	0	0	0
180	RETAINED EARNINGS RESERVED	0	0	0	0	0	0	0	0	0
181	UNAPPROPRIATED RETAINED EARNINGS	402,684	459,767	510,868	400,327	448,897	453,851	460,847	344,510	207,843
134.1	LESS: DISCOUNT ON CAPITAL STOCK	0	0	0	0	0	0	0	0	0
134.2	CAPITAL STOCK EXPENSE	0	0	0	0	0	0	0	0	0
	TOTAL NET STOCKHOLDERS' EQUITY	$425,684	$482,767	$533,868	$423,327	$471,897	$476,851	$483,847	$367,510	$230,843
LONG-TERM DEBT										
154.1	FUNDED DEBT	$1,125,488	$1,287,135	$1,384,184	$1,351,219	$1,326,307	$1,289,504	$1,251,733	$1,212,946	$1,173,165
156	ADVANCES FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
157	OTHER LONG-TERM DEBT	0	0	0	0	0	31,956	20,335	8,715	0
	TOTAL LONG-TERM DEBT	$1,125,488	$1,287,135	$1,384,184	$1,351,219	$1,326,307	$1,321,460	$1,272,068	$1,221,661	$1,173,165
CURRENT AND ACCRUED LIABILITIES										
158.1	NOTES PAYABLE TO AFFILIATED COMPANIES	$0	$0	$0	$0	$0	$0	$0	$0	$0
158.2	OTHER NOTES PAYABLE	94,347	55,000	0	65,000	25,000	0	0	0	0
159.1	ACCOUNTS PAYABLE TO AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
159.2	OTHER ACCOUNTS PAYABLE	92,283	79,723	95,030	87,056	85,884	75,983	123,590	236,129	31,841
160	CUSTOMERS' DEPOSITS	1,257	1,785	2,943	2,460	2,394	2,678	1,880	3,470	3,005
162	MATURED INTEREST AND DIVIDENDS	0	0	0	0	0	0	0	0	0
163	MATURED LONG-TERM DEBT	0	0	0	0	0	0	0	0	0
164	ADVANCE BILLING AND PAYMENTS	0	0	0	0	0	0	0	0	0
165	OTHER CURRENT LIABILITIES	924	1,919	3,200	3,872	5,899	3,662	3,619	3,571	3,441
166	TAXES ACCRUED	3,222	9,209	8,524	8,995	12,186	13,061	12,584	12,361	14,083
167	UNMATURED INTEREST, DIV. & RENTS ACCRUED	0	0	0	0	0	0	0	0	0
	TOTAL CURRENT AND ACCRUED LIABILITIES	$192,033	$147,636	$109,697	$167,383	$131,363	$95,384	$141,673	$255,531	$52,370
DEFERRED CREDITS AND OPERATING RESERVES										
168	PREMIUM ON LONG-TERM DEBT	$0	$0	$0	$0	$0	$0	$0	$0	$0
169	INSURANCE RESERVES	0	0	0	0	0	0	0	0	0
170	PROVIDENT RESERVES	0	0	0	0	0	0	0	0	0
174	OTHER DEFERRED CREDITS	19,361	29,766	36,506	34,424	33,030	31,636	30,242	28,848	28,317
176.1	ACCUM.DEFERRED INCOME TAXES-ACC. TAX DEP.	0	0	0	0	0	0	0	0	0
176.2	ACCUM.DEFERRED INCOME TAXES - OTHER	0	0	0	0	0	0	0	0	0
	TOTAL DEFERRED CREDITS & OPERATING RESERVES	$19,361	$29,766	$36,506	$34,424	$33,030	$31,636	$30,242	$28,848	$28,317
	TOTAL LIABILITIES AND OTHER CREDITS	$1,762,566	$1,947,304	$2,064,255	$1,976,353	$1,962,597	$1,925,331	$1,927,830	$1,873,550	$1,484,695

TABLE 22.3

BLOCK 3:
JULY 29, 1988

22 TOLEDO TELEPHONE - TOTAL COMPANY OPERATIONS
INCOME AND RETAINED EARNINGS STATEMENT

	1979	1980	1981	1982	1983	1984	1985	1986	1987
NET INCOME									
NET OPERATING INCOME -WASHINGTON	$75,264	$96,463	$95,143	($57,660)	$97,190	$59,124	$56,282	($60,012)	($20,317)
-OTHER STATES	0	0	0	0	0	0	0	0	0
TOTAL NET OPERATING INCOME	$75,264	$96,463	$95,143	($57,660)	$97,190	$59,124	$56,282	($60,012)	($20,317)
INTEREST CHARGED TO CONSTRUCTION	0	0	0	0	0	0	0	0	0
OTHER INCOME	0	1,167	2,763	(5,451)	4,735	(8,697)	(3,921)	2,463	11,392
MISCELLANEOUS DEDUCTIONS FROM INCOME	1,081	1,151	777	1,962	440	580	940	15,559	4,345
INTEREST ON FUNDED DEBT	22,868	31,859	37,759	43,673	43,144	42,429	41,436	40,528	39,535
OTHER FIXED CHARGES	9,623	7,537	8,269	1,795	9,771	2,464	2,989	2,701	1,609
EXTRAORDINARY/DELAYED ITEMS BEFORE TAX EFFECT	0	0	0	0	0	0	0	0	(82,253)
INCOME TAX EFFECT OF EXTRAORDINARY/DELAYED ITEMS	0	0	0	0	0	0	0	0	0
NET INCOME	$41,692	$57,083	$51,101	($110,541)	$48,570	$4,954	$6,996	($116,337)	($136,667)
RETAINED EARNINGS (ACCOUNT 181)									
BALANCE AT BEGINNING OF YEAR	$360,992	$402,684	$459,767	$510,868	$400,327	$448,897	$453,851	$460,847	$344,510
CREDITS: NET INCOME(AS ABOVE)	$41,692	$57,083	$51,101	($110,541)	$48,570	$4,954	$6,996	($116,337)	($136,667)
OTHER CREDITS	0	0	0	0	0	0	0	0	0
TOTAL CREDITS	$41,692	$57,083	$51,101	($110,541)	$48,570	$4,954	$6,996	($116,337)	($136,667)
DEBITS: DIVIDEND APPROPRIATIONS	$0	$0	$0	$0	$0	$0	$0	$0	$0
OTHER DEBITS	0	0	0	0	0	0	0	0	0
TOTAL DEBITS	$0	$0	$0	$0	$0	$0	$0	$0	$0
BALANCE AT END OF YEAR	$402,684	$459,767	$510,868	$400,327	$448,897	$453,851	$460,847	$344,510	$207,843

TABLE 22.4

BLOCK 4:
JULY 29, 1988

22 TOLEDO TELEPHONE - TOTAL COMPANY OPERATIONS
NET OPERATING INCOME AND PLANT STATISTICS

	1979	1980	1981	1982	1983	1984	1985	1986	1987
OPERATING REVENUES									
LOCAL SERVICE	$113,562	$151,713	$150,598	$157,153	$170,246	$217,289	$201,016	$202,905	$219,926
ACCESS REVENUES	0	0	0	0	0	0	672,408	579,754	716,794
TOLL SERVICE	559,632	607,914	683,886	663,852	714,172	695,110	41,084	49,065	(4,085)
MISCELLANEOUS	30,473	30,376	27,901	36,586	40,937	30,132	129,623	144,165	172,719
UNCOLLECTIBLES - DEBIT	3,902	1,218	(846)	3,939	8,625	9,788	10,998	4,007	10,814
TOTAL OPERATING REVENUES	$699,765	$788,785	$863,231	$853,652	$916,730	$932,743	$1,033,133	$971,882	$1,094,540
OPERATING REVENUE EXPENSES									
MAINTENANCE	$92,621	$115,557	$108,087	$156,827	$124,189	$130,817	$162,023	$171,960	$176,929
DEPRECIATION AND AMORTIZATION	106,804	121,393	133,718	154,499	157,689	160,309	161,869	164,549	141,261
TRAFFIC	3,056	3,824	6,077	5,348	1,712	13,421	19,040	20,333	23,206
COMMERCIAL	45,933	57,126	59,563	95,713	97,424	79,243	90,028	102,000	87,477
ACCESS EXPENSES	0	0	0	0	0	0	0	0	0
GENERAL OFFICE	222,208	236,258	266,164	279,868	262,375	280,020	296,737	322,749	414,839
OTHER OPERATING EXPENSES	92,214	97,054	131,011	161,880	118,853	163,421	201,971	206,536	222,441
TOTAL OPERATING REVENUE EXPENSES	$562,836	$631,212	$704,620	$854,135	$761,942	$827,331	$931,668	$988,127	$1,066,153
INVESTMENT CREDIT - NET	$6,769	$8,812	$5,147	($3,675)	($2,987)	($2,987)	($2,987)	($2,987)	($2,146)
FEDERAL INCOME TAXES	260	475	(285)	0	0	0	0	0	0
OTHER OPERATING TAXES	55,114	52,301	58,925	60,852	60,585	49,275	48,170	46,754	50,850
OPERATING FED.INCOME TAX DEFER - ACC.DEP	0	0	0	0	0	0	0	0	0
OPER.FED. INCOME TAX DEFER - OTHER	(478)	(478)	(319)	0	0	0	0	0	0
INC. CREDITS FROM PRIOR FED. TAXES	0	0	0	0	0	0	0	0	0
TOTAL OPERATING TAXES	$61,665	$61,110	$63,468	$57,177	$57,598	$46,288	$45,183	$43,767	$48,704
TOTAL OPERATING REV DEDUCTIONS	$624,501	$692,322	$768,088	$911,312	$819,540	$873,619	$976,851	$1,031,894	$1,114,857
NET OPERATING INCOME	$75,264	$96,463	$95,143	($57,660)	$97,190	$59,124	$56,282	($60,012)	($20,317)
100.1 TELEPHONE PLANT IN SERVICE	$2,085,693	$2,310,813	$2,469,216	$2,534,461	$2,576,994	$2,637,281	$2,722,599	$2,778,704	$2,892,226
100.3 PROPERTY HELD FOR FUTURE USE	0	0	0	0	0	0	0	0	0
LESS: 171 & 172 DEP. & AMORT. RESERVES	507,587	632,695	745,402	918,142	1,094,699	1,231,862	1,393,438	1,570,774	1,720,042
NET TELEPHONE PLANT END OF YEAR(DEC)	$1,578,106	$1,678,118	$1,723,814	$1,616,319	$1,482,295	$1,405,419	$1,329,161	$1,207,930	$1,172,184
PRIMARY STATISTICS									
MILES OF: WIRE IN CABLE	6,664	6,868	7,400	7,400	7,400	7,400	7,407	7,407	7,407
AERIAL WIRE	0	0	0	0	0	0	0	0	0
UNDERGROUND CONDUIT (SINGLE DUCT)	0	0	0	0	0	0	0	0	0
CARRIER CHANNEL(TELEPHONE)	684	791	1,484	1,484	1,485	1,485	1,485	1,485	1,485
NUMBER OF POLES	153	152	152	152	152	152	152	152	152
NUMBER OF CENTRAL OFFICES	1	1	1	1	1	1	1	1	1
ACCESS LINES(RESIDENTIAL)	0	0	0	0	0	1,029	1,017	1,023	1,063
ACCESS LINES(BUSINESS)	0	0	0	0	0	211	212	217	203
ACCESS LINES(PUBLIC)	0	0	0	0	0	23	23	21	22
ACCESS LINES(TOTAL)	0	0	0	0	0	1,263	1,252	1,261	1,288

TABLE 23.1

BLOCK1: BALANCE SHEET -- ASSETS
TOTAL COMPANY
JULY 28, 1988

23 UNITED TELEPHONE - TOTAL COMPANY OPERATIONS
BALANCE SHEET - ASSETS AND OTHER DEBITS

		1979	1980	1981	1982	1983	1984	1985	1986	1987
TELEPHONE PLANT										
100.1	TELEPHONE PLANT IN SERVICE	$138,525,470	$152,505,418	$166,760,118	$177,533,251	$183,964,883	$193,917,391	$203,600,578	$211,912,122	$220,277,631
100.2	TELEPHONE PLANT UNDER CONSTRUCTION	5,667,676	2,402,756	4,117,071	3,018,382	4,815,497	3,487,887	2,060,308	3,053,962	4,281,663
100.3	PROPERTY HELD FOR FUTURE TELEPHONE USE	3,240	0	174,283	144,807	69,304	69,749	59,083	56,776	14,580
100.4	TELEPHONE PLANT ACQUISITION ADJUSTMENT	0	0	0	0	0	0	0	(2,651,664)	0
171	LESS: DEPRECIATION RESERVE	27,921,895	30,693,341	36,967,076	42,863,968	53,424,113	63,486,124	72,610,501	82,664,874	91,990,869
172	AMORTIZATION RESERVE	0	0	0	0	0	0	0	(883,888)	0
	TOTAL NET TELEPHONE PLANT	$116,274,491	$124,214,833	$134,084,396	$137,832,472	$135,425,571	$133,988,903	$133,109,468	$130,590,210	$132,583,005
INVESTMENTS AND FUNDS										
101.1	INVESTMENTS IN AFFILIATED COMPANIES	$180,000	$180,000	$180,000	$180,000	$180,000	$0	$0	$0	$0
101.2	ADVANCES TO AFFILIATED COMPANIES	500,000	500,000	500,000	500,000	375,000	0	0	0	0
102	OTHER INVESTMENTS	97,371	14,337	10,894	8,606	12,000	2,000	2,000	2,000	2,000
103	MISCELLANEOUS PHYSICAL PROPERTY	11,072	9,600	110,202	214,111	539,901	548,576	561,841	634,995	641,562
104	SINKING FUNDS(EXCLUDING OWN ISSUES)	175,000	175,000	242,000	282,000	227,000	142,000	0	0	87,500
106	NONREGULATED INVESTMENT	0	0	0	0	0	0	2,079,496	1,428,684	1,308,227
136	PROVIDENT FUNDS(EXCLUDING OWN ISSUES)	0	0	0	0	0	0	0	0	0
	TOTAL INVESTMENTS AND FUNDS	$963,443	$878,937	$1,043,096	$1,184,717	$1,333,901	$692,576	$2,643,337	$2,065,679	$2,039,289
CURRENT ASSETS										
113	CASH	($361,937)	$796,369	($1,336,609)	$403,639	($2,196,638)	($1,963,341)	($404,540)	($687,907)	($1,750,726)
114	SPECIAL CASH DEPOSITS	28,777	125,475	97,474	97,474	103,887	103,988	183,988	655,678	719,749
115	WORKING FUNDS	133,462	(9,764)	32,224	21,788	17,414	13,221	17,005	15,304	10,503
116	TEMPORARY CASH INVESTMENTS	0	0	0	0	0	500,000	0	1,500,000	3,000,000
117.1	NOTES RECEIVABLE FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
117.2	OTHER NOTES RECEIVABLE	4,314	153,984	53,458	46,401	17,000	51,610	50,410	38,218	45,299
118	DUE FROM CUSTOMERS AND AGENTS	3,100,144	3,346,812	3,594,650	3,917,042	5,079,110	4,026,907	4,491,274	5,647,373	5,749,531
120.1	ACCTS RECEIVABLE FROM AFFILIATED COMPANIES	62,584	105,593	132,426	13,065	74,972	16,831	0	756	4,321
120.2	OTHER ACCOUNTS RECEIVABLE	2,781,971	4,235,507	4,467,953	1,248,301	5,550,239	8,929,222	11,427,632	7,279,675	7,265,016
121	INTEREST AND DIVIDENDS RECEIVABLE	(86)	0	0	0	625	(1)	0	2,279	1,053
122	MATERIAL AND SUPPLIES	2,623,919	2,522,275	2,519,946	1,871,899	1,969,880	2,534,827	2,134,679	1,024,249	805,073
123	OTHER CURRENT ASSETS	16,382	12,379	5,212	7,281	44,532	24,565	42,183	734	0
	TOTAL CURRENT ASSETS	$8,389,530	$11,288,630	$9,566,734	$7,626,890	$10,661,021	$14,237,829	$17,942,631	$15,476,359	$15,849,819
PREPAID ACCOUNTS AND DEFERRED CHARGES										
129	PREPAID RENTS	$6,589	$206,987	$133,546	$305,048	$246,010	$218,491	$24,144	$8,321	$28,949
130	PREPAID TAXES	0	0	0	0	0	0	0	0	0
131	PREPAID INSURANCE	12,984	13,494	22,403	22,128	17,818	19,385	103,675	62,979	47,173
132	PREPAID DIRECTORY EXPENSESS	0	0	0	0	25,872	21,198	21,508	47,655	55,853
133	OTHER PREPAYMENTS	11,539	21,465	28,600	78,103	124,613	35,391	101,832	35,862	20,314
135	DISCOUNT ON LONG-TERM DEBT	411,110	390,861	368,142	346,023	324,450	303,803	283,492	263,536	244,580
138	EXTRAORDINARY MAINTENANCE & RETIREMENTS	0	0	0	0	0	0	0	0	0
139	OTHER DEFERRED CHARGES	623,719	592,945	679,823	694,226	834,022	925,451	824,448	787,542	869,691
	TOTAL PREPAID ACCOUNTS & DEFERRED CHARGES	$1,065,941	$1,225,752	$1,232,514	$1,445,528	$1,572,785	$1,523,719	$1,359,099	$1,205,895	$1,266,560
	TOTAL ASSETS AND OTHER DEBITS	$126,693,405	$137,608,152	$145,926,740	$148,089,607	$148,993,278	$150,443,027	$155,054,535	$149,338,143	$151,738,673

TABLE 23.2

BLOCK 2: BALANCE SHEET -- LIABILITIES
TOTAL COMPANY
JULY 28, 1988

23 UNITED TELEPHONE - TOTAL COMPANY OPERATIONS
BALANCE SHEET - LIABILITIES AND OTHER CREDITS

		1979	1980	1981	1982	1983	1984	1985	1986	1987
STOCKHOLDERS EQUITY										
150	CAPITAL STOCK (ACTUALLY OUTSTANDING)	$17,265,232	$17,265,232	$17,265,232	$17,265,232	$17,265,232	$17,265,232	$17,265,232	$17,265,232	$17,265,232
152	PREMIUM ON CAPITAL STOCK	2,579	2,579	2,579	2,579	2,579	2,579	2,579	2,579	2,579
179	OTHER CAPITAL	33,198	33,198	33,198	33,198	33,198	0	0	0	0
180	RETAINED EARNINGS RESERVED	13,604,773	20,514,419	20,514,419	20,514,419	20,514,419	20,514,419	20,514,419	20,393,000	20,391,415
181	UNAPPROPRIATED RETAINED EARNINGS	16,490,172	16,788,495	22,530,262	24,763,812	22,502,500	22,891,625	21,427,903	20,011,649	20,708,382
134.1	LESS: DISCOUNT ON CAPITAL STOCK	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
134.2	CAPITAL STOCK EXPENSE	87,932	87,932	87,932	87,932	87,932	86,682	87,390	86,682	86,682
	TOTAL NET STOCKHOLDERS' EQUITY	$47,303,022	$54,510,991	$60,252,758	$62,486,308	$60,224,996	$60,582,173	$59,117,743	$57,580,778	$58,275,926
LONG-TERM DEBT										
154.1	FUNDED DEBT	$50,710,000	$49,975,500	$49,212,500	$48,424,000	$47,614,500	$46,829,000	$45,954,000	$45,295,000	$43,820,000
156	ADVANCES FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
157	OTHER LONG-TERM DEBT	0	0	0	0	0	0	0	0	734,500
	TOTAL LONG-TERM DEBT	$50,710,000	$49,975,500	$49,212,500	$48,424,000	$47,614,500	$46,829,000	$45,954,000	$45,295,000	$44,554,500
CURRENT AND ACCRUED LIABILITIES										
158.1	NOTES PAYABLE TO AFFILIATED COMPANIES	$0	$0	$0	$0	$0	$0	$0	$0	$0
158.2	OTHER NOTES PAYABLE	7,500,000	4,500,000	3,300,000	3,400,000	5,300,000	500,000	4,000,000	0	0
159.1	ACCOUNTS PAYABLE TO AFFILIATED COMPANIES	101,489	131,777	500,282	1,063,210	680,159	798,347	1,046,650	604,122	380,420
159.2	OTHER ACCOUNTS PAYABLE	1,746,137	2,179,916	3,428,336	2,221,440	3,388,692	7,739,013	6,243,327	9,083,327	8,756,829
160	CUSTOMERS' DEPOSITS	267,013	348,580	414,148	491,956	515,686	523,019	530,482	511,616	492,985
162	MATURED INTEREST AND DIVIDENDS	0	0	0	0	0	0	0	0	0
163	MATURED LONG-TERM DEBT	0	0	0	0	0	0	0	0	0
164	ADVANCE BILLING AND PAYMENTS	342,721	388,899	418,376	536,686	433,734	511,456	510,821	756,816	780,017
165	OTHER CURRENT LIABILITIES	167,776	621,530	1,324,765	718,631	977,485	870,317	2,274,429	2,183,830	3,675,225
166	TAXES ACCRUED	516,944	3,821,977	3,382,943	2,745,651	2,342,521	2,547,888	3,307,582	2,194,434	2,746,081
167	UNMATURED INTEREST, DIV. & RENTS ACCRUED	1,271,404	1,390,877	1,243,395	1,156,336	1,044,971	1,077,299	1,420,303	1,800,537	1,753,412
	TOTAL CURRENT AND ACCRUED LIABILITIES	$11,913,484	$13,383,556	$14,012,245	$12,333,910	$14,683,248	$14,567,339	$19,333,594	$17,134,682	$18,584,969
DEFERRED CREDITS AND OPERATING RESERVES										
168	PREMIUM ON LONG-TERM DEBT	($1)	$0	$0	$0	$0	$0	$0	$0	$0
169	INSURANCE RESERVES	0	0	0	0	0	0	0	0	0
170	PROVIDENT RESERVES	0	0	0	0	0	0	0	0	0
174	OTHER DEFERRED CREDITS	7,134,191	8,468,819	9,745,732	10,398,481	10,244,807	10,821,077	11,097,993	8,700,873	7,394,258
176.1	ACCUM.DEFERRED INCOME TAXES-ACC. TAX DEP.	9,632,709	11,269,286	12,703,505	14,446,908	16,225,727	17,643,438	19,551,205	19,531,232	21,294,436
176.2	ACCUM.DEFERRED INCOME TAXES - OTHER	0	0	0	0	0	0	0	1,095,578	1,634,584
	TOTAL DEFERRED CREDITS & OPERATING RESERVES	$16,766,899	$19,738,105	$22,449,237	$24,845,389	$26,470,534	$28,464,515	$30,649,198	$29,327,683	$30,323,278
	TOTAL LIABILITIES AND OTHER CREDITS	$126,693,405	$137,608,152	$145,926,740	$148,089,607	$148,993,278	$150,443,027	$155,054,535	$149,338,143	$151,738,673

TABLE 23.3

BLOCK 3 -- INCOME AND RETAINED EARNINGS
TOTAL COMPANY
JULY 28, 1988

23 UNITED TELEPHONE -- TOTAL COMPANY OPERATIONS
INCOME AND RETAINED EARNINGS STATEMENT

	1979	1980	1981	1982	1983	1984	1985	1986	1987
NET INCOME									
NET OPERATING INCOME -WASHINGTON	$6,687,125	$7,651,667	$8,162,950	$8,091,395	$8,419,011	$7,580,726	$8,575,360	$8,338,759	$7,028,493
-OTHER STATES	3,212,476	5,063,386	5,784,817	5,223,089	5,874,239	8,975,955	7,375,491	6,392,411	7,875,393
TOTAL NET OPERATING INCOME	$9,899,601	$12,715,053	$13,947,767	$13,314,484	$14,293,250	$16,556,681	$15,950,851	$14,731,170	$14,903,886
INTEREST CHARGED TO CONSTRUCTION	368,434	209,095	83,644	0	65,486	52,128	137,799	4,631	23,207
OTHER INCOME	132,912	246,009	335,743	391,147	(191,405)	(121,086)	(57,428)	86,700	446,576
MISCELLANEOUS DEDUCTIONS FROM INCOME	38,054	191,848	391,743	810,533	89,715	178,191	304,127	411,569	324,268
INTEREST ON FUNDED DEBT	3,471,699	4,397,082	4,325,968	4,252,460	4,172,064	4,122,417	4,040,024	3,972,217	3,897,718
OTHER FIXED CHARGES	1,410,573	1,358,161	684,770	778,774	420,707	613,645	334,511	123,769	159,894
EXTRAORDINARY/DELAYED ITEMS BEFORE TAX EFFECT	0	0	0	0	0	200,000	0	31,500	0
INCOME TAX EFFECT OF EXTRAORDINARY/DELAYED ITEMS	0	0	0	0	0	66,800	0	15,765	0
NET INCOME	$5,480,621	$7,223,066	$8,964,673	$7,863,864	$9,484,845	$11,706,670	$11,352,560	$10,330,681	$10,991,789
RETAINED EARNINGS (ACCOUNT 181)									
BALANCE AT BEGINNING OF YEAR	$12,356,240	$16,490,172	$16,610,269	$22,530,262	$24,763,812	$23,031,645	$22,891,625	21,427,903	$20,011,649
CREDITS: NET INCOME(AS ABOVE)	$5,480,621	$7,223,066	$8,964,673	$7,863,864	$9,484,845	$11,706,670	$11,352,560	$10,330,681	$10,991,789
OTHER CREDITS	0	0	0	0	8	0	0	119,211	1,585
TOTAL CREDITS	$5,480,621	$7,223,066	$8,964,673	$7,863,864	$9,484,853	$11,706,670	$11,352,560	$10,449,892	$10,993,374
DEBITS: DIVIDEND APPROPRIATIONS	$1,346,657	$15,000	$3,044,571	$5,630,281	$11,746,165	$11,846,690	$12,816,282	$11,866,146	$10,296,641
OTHER DEBITS	32	6,909,743	109	33	0	0	0	0	0
TOTAL DEBITS	$1,346,689	$6,924,743	$3,044,680	$5,630,314	$11,746,165	$11,846,690	$12,816,282	$11,866,146	$10,296,641
BALANCE AT END OF YEAR	$16,490,172	$16,788,495	$22,530,262	$24,763,812	$22,502,500	$22,891,625	$21,427,903	$20,011,649	$20,708,382

Line 29, 1981: $178,226 less than 1980 ending due to restatement of 1980 earning to comply with FASB 43

Line 29, 1984: Does not agree with prior year end due to sale of subsidiary company and subsequent change in accounting treatment.

TABLE 23.4

BLOCK 4: NET INCOME & PLANT STATS.
STATE
JULY 28, 1988

23 UNITED TELEPHONE - WASHINGTON OPERATIONS ONLY
NET OPERATING INCOME AND PLANT STATISTICS

	1979	1980	1981	1982	1983	1984	1985	1986	1987
OPERATING REVENUES									
LOCAL SERVICE	$6,948,700	$7,880,178	$9,885,750	$10,007,464	$9,927,659	$9,521,406	$9,542,964	$9,099,805	$8,496,279
ACCESS REVENUES	0	0	0	0	0	15,279,896	19,799,154	22,147,834	23,691,652
TOLL SERVICE	17,212,650	19,382,903	22,509,985	24,644,276	27,283,724	13,559,880	9,425,740	7,484,142	2,059,833
MISCELLANEOUS	545,699	625,575	736,430	846,490	1,018,083	1,972,197	2,068,476	1,900,918	3,188,606
UNCOLLECTIBLES - DEBIT	277,976	359,180	380,027	428,640	422,715	156,065	98,187	126,150	65,928
TOTAL OPERATING REVENUES	$24,429,073	$27,529,476	$32,752,138	$35,069,590	$37,806,751	$40,177,314	$40,738,147	$40,506,549	$37,370,442
OPERATING REVENUE EXPENSES									
MAINTENANCE	$4,632,503	$5,148,892	$6,022,152	$7,367,965	$7,182,755	$6,676,643	$6,255,088	$7,087,450	$6,470,318
DEPRECIATION AND AMORTIZATION	4,650,662	5,317,835	7,595,405	7,909,584	8,915,572	10,512,895	10,394,790	9,807,256	9,223,281
TRAFFIC	675,652	521,566	455,028	557,870	586,008	684,085	627,213	493,609	1,137,345
COMMERCIAL	1,156,266	1,293,702	1,522,133	1,826,514	1,902,401	2,036,526	2,391,505	1,812,349	1,868,225
ACCESS EXPENSES	0	0	0	0	0	0	0	0	0
GENERAL OFFICE	1,581,219	1,918,055	2,227,225	2,795,358	3,433,786	3,813,177	4,383,628	4,449,790	4,120,891
OTHER OPERATING EXPENSES	839,020	819,669	1,126,718	1,449,121	1,740,913	2,726,011	2,108,533	2,273,485	2,622,680
TOTAL OPERATING REVENUE EXPENSES	$13,535,322	$15,019,719	$18,948,661	$21,906,412	$23,761,435	$26,449,337	$26,160,757	$25,923,939	$25,442,740
INVESTMENT CREDIT - NET	$1,120,557	$745,959	$461,891	$177,387	($31,891)	$28,170	($20,938)	($494,867)	($805,485)
FEDERAL INCOME TAXES	407,420	1,637,042	2,675,081	2,452,289	3,053,848	3,650,944	3,428,524	4,129,000	3,414,556
OTHER OPERATING TAXES	1,587,234	1,587,492	1,710,122	1,764,918	1,664,152	1,422,792	1,679,150	1,712,334	1,787,297
OPERATING FED.INCOME TAX DEFER - ACC.DEP	1,091,415	887,597	793,433	677,189	940,196	1,045,345	915,294	854,780	1,090,581
OPER.FED. INCOME TAX DEFER - OTHER	0	0	0	0	0	0	0	42,604	(587,740)
INC. CREDITS FROM PRIOR FED. TAXES	0	0	0	0	0	0	0	0	0
TOTAL OPERATING TAXES	$4,206,626	$4,858,090	$5,640,527	$5,071,783	$5,626,305	$6,147,251	$6,002,030	$6,243,851	$4,899,209
TOTAL OPERATING REV DEDUCTIONS	$17,741,948	$19,877,809	$24,589,188	$26,978,195	$29,387,740	$32,596,588	$32,162,787	$32,167,790	$30,341,949
NET OPERATING INCOME	$6,687,125	$7,651,667	$8,162,950	$8,091,395	$8,419,011	$7,580,726	$8,575,360	$8,338,759	$7,028,493
100.1 TELEPHONE PLANT IN SERVICE	$72,954,985	$82,632,538	$91,056,180	$96,674,314	$99,693,250	$104,789,559	$109,198,354	$108,642,780	$114,046,685
100.3 PROPERTY HELD FOR FUTURE USE	0	0	134,280	130,578	1,714	1,714	0	0	0
LESS: 171 & 172 DEP. & AMORT. RESERVES	13,391,042	15,309,951	20,521,475	24,069,674	29,159,608	36,165,266	42,912,886	45,596,776	53,195,296
NET TELEPHONE PLANT END OF YEAR(DEC)	$59,563,943	$67,322,587	$70,668,985	$72,735,218	$70,535,356	$68,626,007	$66,285,468	$63,046,004	$60,851,389
PRIMARY STATISTICS									
MILES OF: WIRE IN CABLE	316,531	325,389	337,883	346,760	356,554	364,791	375,126	379,085	384,403
AERIAL WIRE	8,777	8,688	8,688	8,569	8,550	8,506	8,390	8,337	8,124
UNDERGROUND CONDUIT (SINGLE DUCT)	38	38	41	43	44	45	45	29	30
CARRIER CHANNEL(TELEPHONE)	19,283	39,412	48,726	56,019	68,384	78,449	94,530	103,335	100,695
NUMBER OF POLES	20,580	21,064	20,515	19,785	19,199	18,573	18,135	17,834	17,477
NUMBER OF CENTRAL OFFICES	30	31	31	31	31	32	33	32	33
ACCESS LINES(RESIDENTIAL)	0	0	0	0	0	35,593	35,894	32,261	37,809
ACCESS LINES(BUSINESS)	0	0	0	0	0	10,216	13,158	15,420	11,280
ACCESS LINES(PUBLIC)	0	0	0	0	0	373	377	377	370
ACCESS LINES(TOTAL)	0	0	0	0	0	46,182	49,429	48,058	49,459

TABLE 24.1

BLOCK1: BALANCE SHEET -- ASSETS
AUGUST 23, 1988

24 WESTERN WAHKIAKUM TELEPHONE - TOTAL COMPANY OPERATIONS
BALANCE SHEET - ASSETS AND OTHER DEBITS

		1979	1980	1981	1982	1983	1984	1985	1986	1987
TELEPHONE PLANT										
100.1	TELEPHONE PLANT IN SERVICE	$1,925,129	$2,062,217	$2,372,496	$2,463,409	$2,555,027	$2,596,183	$2,729,931	$2,767,356	$2,859,138
100.2	TELEPHONE PLANT UNDER CONSTRUCTION	13,994	82,455	68,143	68,106	4,299	37,591	6,599	30,598	23,932
100.3	PROPERTY HELD FOR FUTURE TELEPHONE USE	0	0	0	0	0	0	0	0	0
100.4	TELEPHONE PLANT ACQUISITION ADJUSTMENT	0	0	0	0	0	0	0	0	0
171	LESS: DEPRECIATION RESERVE	813,528	950,011	1,093,072	1,318,654	1,104,343	1,222,903	1,409,065	1,604,418	1,783,798
172	AMORTIZATION RESERVE	299	322	345	368	392	415	438	461	484
	TOTAL NET TELEPHONE PLANT	$1,125,296	$1,194,339	$1,347,222	$1,212,493	$1,454,591	$1,410,456	$1,327,027	$1,193,075	$1,098,788
INVESTMENTS AND FUNDS										
101.1	INVESTMENTS IN AFFILIATED COMPANIES	$0	$0	$0	$0	$0	$0	$0	$0	$0
101.2	ADVANCES TO AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
102	OTHER INVESTMENTS	41,476	40,557	48,579	49,057	49,439	50,542	49,742	46,092	46,092
103	MISCELLANEOUS PHYSICAL PROPERTY	0	0	0	0	0	0	0	0	0
104	SINKING FUNDS(EXCLUDING OWN ISSUES)	0	0	0	0	0	0	0	0	0
106	NONREGULATED INVESTMENT	0	0	0	0	0	0	0	0	0
136	PROVIDENT FUNDS(EXCLUDING OWN ISSUES)	0	0	0	0	0	0	0	0	0
	TOTAL INVESTMENTS AND FUNDS	$41,476	$40,557	$48,579	$49,057	$49,439	$50,542	$49,742	$46,092	$46,092
CURRENT ASSETS										
113	CASH	$10,778	$9,449	$5,704	$7,599	$14,999	$4,006	$33,941	$31,236	$139,127
114	SPECIAL CASH DEPOSITS	2	2	195	5,589	5,589	199	6,373	0	0
115	WORKING FUNDS	0	0	0	0	0	0	0	0	0
116	TEMPORARY CASH INVESTMENTS	188,783	183,292	110,993	200,270	356,128	495,813	642,956	706,133	797,203
117.1	NOTES RECEIVABLE FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
117.2	OTHER NOTES RECEIVABLE	0	0	0	0	0	0	0	0	0
118	DUE FROM CUSTOMERS AND AGENTS	65,083	61,659	60,387	64,503	87,748	200,485	70,399	64,026	68,235
120.1	ACCTS RECEIVABLE FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
120.2	OTHER ACCOUNTS RECEIVABLE	14,213	28,230	56,629	37,640	19,994	6,633	95,700	137,788	158,322
121	INTEREST AND DIVIDENDS RECEIVABLE	1,071	2,028	1,591	642	99	376	6,070	0	0
122	MATERIAL AND SUPPLIES	22,527	21,741	20,706	18,744	39,821	41,929	51,210	58,677	56,453
123	OTHER CURRENT ASSETS	0	0	0	0	0	0	2	0	0
	TOTAL CURRENT ASSETS	$302,457	$306,401	$256,205	$334,987	$524,378	$749,441	$906,649	$997,860	$1,219,340
PREPAID ACCOUNTS AND DEFERRED CHARGES										
129	PREPAID RENTS	$0	$0	$0	$0	$0	$0	$0	$0	$0
130	PREPAID TAXES	0	0	0	0	0	0	0	0	0
131	PREPAID INSURANCE	5,050	6,981	8,708	8,707	5,035	9,310	26,937	18,222	10,900
132	PREPAID DIRECTORY EXPENSESS	0	0	0	0	0	0	0	0	0
133	OTHER PREPAYMENTS	1,053	1,841	1,386	2,227	2,744	3,570	9,978	3,227	3,895
135	DISCOUNT ON LONG-TERM DEBT	24,997	23,979	27,075	26,057	28,494	27,935	26,729	36,865	46,625
138	EXTRAORDINARY MAINTENANCE & RETIREMENTS	0	0	0	0	0	0	0	0	0
139	OTHER DEFERRED CHARGES	0	0	0	0	0	0	0	0	0
	TOTAL PREPAID ACCOUNTS & DEFERRED CHARGES	$31,100	$32,801	$37,169	$36,991	$36,273	$40,815	$63,645	$58,314	$61,420
	TOTAL ASSETS AND OTHER DEBITS	$1,500,329	$1,574,098	$1,689,175	$1,633,528	$2,064,681	$2,251,254	$2,347,063	$2,295,341	$2,425,640

TABLE 24.2

BLOCK 2: BALANCE SHEET -- LIABILITIES
AUGUST 23, 1988

24 WESTERN WAHKIAKUM TELEPHONE - TOTAL COMPANY OPERATIONS
BALANCE SHEET - LIABILITIES AND OTHER CREDITS

		1979	1980	1981	1982	1983	1984	1985	1986	1987
STOCKHOLDERS EQUITY										
150	CAPITAL STOCK (ACTUALLY OUTSTANDING)	$56,830	$56,830	$56,830	$56,830	$56,830	$56,830	$56,830	$56,830	$56,830
152	PREMIUM ON CAPITAL STOCK	0	0	0	0	0	0	0	0	0
179	OTHER CAPITAL	100	100	100	100	100	100	100	100	100
180	RETAINED EARNINGS RESERVED	0	0	0	0	0	0	0	0	0
181	UNAPPROPRIATED RETAINED EARNINGS	461,999	507,803	508,605	527,144	428,741	631,462	750,113	782,751	904,199
134.1	LESS: DISCOUNT ON CAPITAL STOCK	0	0	0	0	0	0	0	0	0
134.2	CAPITAL STOCK EXPENSE	0	0	0	0	0	0	0	0	0
	TOTAL NET STOCKHOLDERS' EQUITY	$518,929	$564,733	$565,535	$584,074	$485,671	$688,392	$807,043	$839,681	$961,129
LONG-TERM DEBT										
154.1	FUNDED DEBT	$873,857	$846,297	$933,091	$904,227	$874,690	$843,927	$811,810	$918,883	$887,172
156	ADVANCES FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
157	OTHER LONG-TERM DEBT	0	0	0	0	0	0	0	0	0
	TOTAL LONG-TERM DEBT	$873,857	$846,297	$933,091	$904,227	$874,690	$843,927	$811,810	$918,883	$887,172
CURRENT AND ACCRUED LIABILITIES										
158.1	NOTES PAYABLE TO AFFILIATED COMPANIES	$0	$0	$0	$0	$0	$0	$0	$0	$0
158.2	OTHER NOTES PAYABLE	0	0	0	0	0	0	0	0	0
159.1	ACCOUNTS PAYABLE TO AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
159.2	OTHER ACCOUNTS PAYABLE	11,951	63,443	64,320	14,335	568,596	559,418	573,408	408,615	406,430
160	CUSTOMERS' DEPOSITS	4,430	5,209	3,164	2,805	2,525	3,365	2,225	3,715	3,205
162	MATURED INTEREST AND DIVIDENDS	0	0	0	0	0	0	0	0	0
163	MATURED LONG-TERM DEBT	0	0	0	0	0	0	0	0	0
164	ADVANCE BILLING AND PAYMENTS	9,085	10,477	9,828	10,576	22,321	13,667	16,336	0	16,115
165	OTHER CURRENT LIABILITIES	2,615	4,104	6,893	5,368	4,749	4,771	3,172	4,162	5,064
166	TAXES ACCRUED	27,081	19,040	19,764	24,921	37,056	29,956	16,290	10,774	55,069
167	UNMATURED INTEREST, DIV. & RENTS ACCRUED	1,976	1,967	3,153	3,106	1,713	2,923	2,891	4,354	4,336
	TOTAL CURRENT AND ACCRUED LIABILITIES	$57,138	$104,240	$107,122	$61,111	$636,960	$614,100	$614,322	$431,620	$490,219
DEFERRED CREDITS AND OPERATING RESERVES										
168	PREMIUM ON LONG-TERM DEBT	$0	$0	$0	$0	$0	$0	$0	$0	$0
169	INSURANCE RESERVES	0	0	0	0	0	0	0	0	0
170	PROVIDENT RESERVES	0	0	0	0	0	0	0	0	0
174	OTHER DEFERRED CREDITS	50,404	58,825	83,429	84,116	67,360	84,941	76,921	64,633	64,666
176.1	ACCUM.DEFERRED INCOME TAXES-ACC. TAX DEP.	0	0	0	0	0	19,894	36,966	40,524	(5,987)
176.2	ACCUM.DEFERRED INCOME TAXES - OTHER	0	0	0	0	0	0	0	0	28,441
	TOTAL DEFERRED CREDITS & OPERATING RESERVES	$50,404	$58,825	$83,429	$84,116	$67,360	$104,835	$113,888	$105,157	$87,120
	TOTAL LIABILITIES AND OTHER CREDITS	$1,500,328	$1,574,095	$1,689,177	$1,633,528	$2,064,681	$2,251,254	$2,347,063	$2,295,341	$2,425,640

TABLE 24.3

BLOCK 3:
AUGUST 23, 1988

24 WESTERN WAHKIAKUM TELEPHONE - TOTAL COMPANY OPERATIONS
INCOME AND RETAINED EARNINGS STATEMENT

	1979	1980	1981	1982	1983	1984	1985	1986	1987
NET INCOME									
NET OPERATING INCOME -WASHINGTON	$87,750	$49,122	($9,995)	$18,779	($94,448)	$122,337	$96,608	$22,156	$108,032
-OTHER STATES	0	0	0	0	0	0	0	0	0
TOTAL NET OPERATING INCOME	$87,750	$49,122	($9,995)	$18,779	($94,448)	$122,337	$96,608	$22,156	$108,032
INTEREST CHARGED TO CONSTRUCTION	0	0	8,945	2,845	2,871	0	0	0	0
OTHER INCOME	14,221	22,830	27,628	28,999	23,658	40,109	52,269	41,406	50,909
MISCELLANEOUS DEDUCTIONS FROM INCOME	0	0	0	0	0	0	0	0	0
INTEREST ON FUNDED DEBT	25,298	24,674	26,104	30,846	28,922	30,706	28,669	29,353	35,701
OTHER FIXED CHARGES	1,319	1,474	1,435	1,238	1,561	2,239	1,556	1,571	1,792
EXTRAORDINARY/DELAYED ITEMS BEFORE TAX EFFECT	0	0	1,762	0	0	0	0	0	0
INCOME TAX EFFECT OF EXTRAORDINARY/DELAYED ITEMS	0	0	0	0	0	0	0	0	0
NET INCOME	$75,354	$45,804	$801	$18,539	($98,402)	$129,501	$118,652	$32,638	$121,448
RETAINED EARNINGS (ACCOUNT 181)									
BALANCE AT BEGINNING OF YEAR	$386,645	$461,999	$507,803	$508,604	$527,143	$428,741	$631,462	$750,113	$782,751
CREDITS: NET INCOME(AS ABOVE)	$75,354	$45,804	$801	$18,539	($98,402)	$129,501	$118,652	$32,638	$121,448
OTHER CREDITS	0	0	0	0	0	73,220	0	0	0
TOTAL CREDITS	$75,354	$45,804	$801	$18,539	($98,402)	$202,721	$118,652	$32,638	$121,448
DEBITS: DIVIDEND APPROPRIATIONS	$0	$0	$0	$0	$0	$0	$0	$0	$0
OTHER DEBITS	0	0	0	0	0	0	0	0	0
TOTAL DEBITS	$0	$0	$0	$0	$0	$0	$0	$0	$0
BALANCE AT END OF YEAR	$461,999	$507,803	$508,604	$527,143	$428,741	$631,462	$750,114	$782,751	$904,199

TABLE 24.4

BLOCK 4:
AUGUST 23, 1988

24 WESTERN WAHKIAKUM TELEPHONE - TOTAL COMPANY OPERATIONS
NET OPERATING INCOME AND PLANT STATISTICS

	1979	1980	1981	1982	1983	1984	1985	1986	1987
OPERATING REVENUES									
LOCAL SERVICE	$116,817	$123,410	$130,906	$133,741	$143,516	$166,344	$179,231	$195,121	$170,856
ACCESS REVENUES	0	0	0	0	0	0	697,992	775,053	845,351
TOLL SERVICE	595,602	559,080	526,817	695,261	768,647	848,241	126,084	15,409	0
MISCELLANEOUS	6,543	623	17,660	8,780	473	29,548	79,871	63,982	123,935
UNCOLLECTIBLES - DEBIT	1,351	5,127	5,490	6,430	5,318	2,618	3,158	3,772	656
TOTAL OPERATING REVENUES	$717,616	$677,986	$669,893	$831,352	$907,318	$1,041,515	$1,080,020	$1,045,793	$1,139,486
OPERATING REVENUE EXPENSES									
MAINTENANCE	$132,386	$132,723	$130,696	$155,088	$326,512	$157,173	$191,218	$184,173	$180,409
DEPRECIATION AND AMORTIZATION	130,050	137,432	147,941	220,374	229,505	193,804	187,160	185,391	169,758
TRAFFIC	83,325	93,685	100,282	107,271	106,299	102,263	104,297	110,194	104,661
COMMERCIAL	8,285	8,109	22,988	20,910	27,832	45,074	27,701	22,723	13,947
ACCESS EXPENSES	0	0	0	0	0	0	0	0	0
GENERAL OFFICE	143,284	161,062	192,724	190,041	203,588	228,634	252,322	301,663	289,539
OTHER OPERATING EXPENSES	61,541	43,737	54,845	63,821	63,000	102,934	159,094	176,847	191,117
TOTAL OPERATING REVENUE EXPENSES	$558,871	$576,748	$649,476	$757,505	$956,736	$829,882	$921,792	$980,991	$949,431
INVESTMENT CREDIT - NET	$8,721	$8,421	$24,603	$688	($7,621)	$17,582	($8,020)	($12,289)	$33
FEDERAL INCOME TAXES	11,811	(4,809)	(45,793)	(7,477)	0	396	267	0	44,760
OTHER OPERATING TAXES	50,462	48,506	51,601	61,857	52,651	51,424	52,300	51,377	55,300
OPERATING FED.INCOME TAX DEFER - ACC.DEP	0	0	0	0	0	19,894	17,072	3,558	(12,195)
OPER.FED. INCOME TAX DEFER - OTHER	0	0	0	0	0	0	0	0	(5,875)
INC. CREDITS FROM PRIOR FED. TAXES	0	0	0	0	0	0	0	0	0
TOTAL OPERATING TAXES	$70,994	$52,118	$30,411	$55,068	$45,030	$89,296	$61,619	$42,646	$82,023
TOTAL OPERATING REV DEDUCTIONS	$629,865	$628,866	$679,887	$812,573	$1,001,766	$919,178	$983,411	$1,023,637	$1,031,454
NET OPERATING INCOME	$87,751	$49,120	($9,994)	$18,779	($94,448)	$122,337	$96,608	$22,156	$108,032
100.1 TELEPHONE PLANT IN SERVICE	$1,925,129	$2,062,217	$2,372,496	$2,463,409	$2,555,027	$2,596,183	$2,729,931	$2,767,356	$2,859,138
100.3 PROPERTY HELD FOR FUTURE USE	0	0	0	0	0	0	0	0	0
LESS: 171 & 172 DEP. & AMORT. RESERVES	813,827	950,333	1,093,417	1,319,022	1,104,735	1,223,318	1,409,503	1,604,879	1,784,282
NET TELEPHONE PLANT END OF YEAR(DEC)	$1,111,302	$1,111,884	$1,279,079	$1,144,387	$1,450,292	$1,372,865	$1,320,428	$1,162,477	$1,074,856
PRIMARY STATISTICS									
MILES OF: WIRE IN CABLE	5,853	6,124	7,602	7,814	7,658	7,834	7,715	7,906	8,515
AERIAL WIRE	2	2	2	2	3	3	3	3	3
UNDERGROUND CONDUIT (SINGLE DUCT)	0	0	0	0	0	0	0	0	0
CARRIER CHANNEL(TELEPHONE)	0	0	0	0	0	0	0	0	0
NUMBER OF POLES	142	142	142	138	152	142	142	142	139
NUMBER OF CENTRAL OFFICES	2	2	2	2	2	2	2	2	2
ACCESS LINES(RESIDENTIAL)	0	0	0	0	0	678	670	672	671
ACCESS LINES(BUSINESS)	0	0	0	0	0	186	155	157	170
ACCESS LINES(PUBLIC)	0	0	0	0	0	12	12	8	12
ACCESS LINES(TOTAL)	0	0	0	0	0	876	837	837	853

TABLE 25.1

BLOCK1: BALANCE SHEET -- ASSETS
AUGUST 2, 1988

25 WHIDBEY TELEPHONE - TOTAL COMPANY OPERATIONS
BALANCE SHEET - ASSETS AND OTHER DEBITS

		1979	1980	1981	1982	1983	1984	1985	1986	1987
TELEPHONE PLANT										
100.1	TELEPHONE PLANT IN SERVICE	$6,255,238	$7,113,889	$7,929,435	$9,109,289	$9,525,338	$10,376,724	$11,074,484	$11,897,541	$15,050,274
100.2	TELEPHONE PLANT UNDER CONSTRUCTION	55,092	458,414	329,308	30,878	290,563	49,691	82,437	594,553	768,117
100.3	PROPERTY HELD FOR FUTURE TELEPHONE USE	0	0	0	0	9,549	0	0	0	0
100.4	TELEPHONE PLANT ACQUISITION ADJUSTMENT	0	0	0	0	0	0	0	0	0
171	LESS: DEPRECIATION RESERVE	2,539,658	2,893,868	2,861,610	3,195,732	3,517,240	3,950,565	4,470,094	5,014,772	5,260,421
172	AMORTIZATION RESERVE	0	0	0	0	0	0	0	0	0
	TOTAL NET TELEPHONE PLANT	$3,770,672	$4,678,435	$5,397,133	$5,944,435	$6,308,210	$6,475,850	$6,686,827	$7,477,322	$10,557,970
INVESTMENTS AND FUNDS										
101.1	INVESTMENTS IN AFFILIATED COMPANIES	$0	$0	$0	$0	$0	$0	$0	$0	$0
101.2	ADVANCES TO AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
102	OTHER INVESTMENTS	0	842,982	257,040	257,394	257,748	375,996	160,149	160,149	145,002
103	MISCELLANEOUS PHYSICAL PROPERTY	0	0	0	0	0	9,549	9,549	9,549	9,549
104	SINKING FUNDS(EXCLUDING OWN ISSUES)	0	0	0	0	0	0	0	0	0
106	NONREGULATED INVESTMENT	0	0	0	0	0	0	0	0	0
136	PROVIDENT FUNDS(EXCLUDING OWN ISSUES)	0	0	0	0	0	0	0	0	0
	TOTAL INVESTMENTS AND FUNDS	$0	$842,982	$257,040	$257,394	$257,748	$385,545	$169,698	$169,698	$154,551
CURRENT ASSETS										
113	CASH	$18,372	$64,527	$32,128	$37,513	$9,435	$96,154	$61,630	$20,128	$54,021
114	SPECIAL CASH DEPOSITS	0	0	0	0	0	0	0	0	0
115	WORKING FUNDS	929	350	400	400	400	475	475	475	575
116	TEMPORARY CASH INVESTMENTS	0	526,622	100,000	17,100	54,829	327,348	1,658,629	1,390,732	35,469
117.1	NOTES RECEIVABLE FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
117.2	OTHER NOTES RECEIVABLE	0	0	0	0	0	0	0	0	0
118	DUE FROM CUSTOMERS AND AGENTS	131,814	144,780	173,996	168,206	212,746	125,996	186,657	184,842	193,449
120.1	ACCTS RECEIVABLE FROM AFFILIATED COMPANIES	13,779	18,522	28,950	36,019	8,853	12,503	20,720	25,898	41,491
120.2	OTHER ACCOUNTS RECEIVABLE	0	40,737	55,830	142,245	75,900	356,884	146,560	153,465	135,212
121	INTEREST AND DIVIDENDS RECEIVABLE	0	0	4,500	0	0	0	9,374	4,928	0
122	MATERIAL AND SUPPLIES	54,387	76,071	93,501	122,183	113,276	86,558	134,981	125,580	69,822
123	OTHER CURRENT ASSETS	126,627	58,061	88,584	120,337	151,399	174,082	0	1,627	0
	TOTAL CURRENT ASSETS	$345,908	$929,670	$577,889	$644,003	$626,838	$1,180,000	$2,219,026	$1,907,675	$530,039
PREPAID ACCOUNTS AND DEFERRED CHARGES										
129	PREPAID RENTS	$0	$0	$0	$0	$0	$0	$0	$0	$0
130	PREPAID TAXES	0	0	0	0	0	0	0	65,364	0
131	PREPAID INSURANCE	2,919	3,299	3,552	2,918	5,292	6,899	23,763	32,293	34,230
132	PREPAID DIRECTORY EXPENSESS	0	0	0	0	0	0	0	0	0
133	OTHER PREPAYMENTS	499	499	499	499	499	499	499	499	499
135	DISCOUNT ON LONG-TERM DEBT	5,604	5,298	4,992	4,686	4,381	4,075	3,769	3,463	0
138	EXTRAORDINARY MAINTENANCE & RETIREMENTS	0	0	0	0	0	0	0	0	0
139	OTHER DEFERRED CHARGES	1,310	1,562	1,310	1,310	0	1,500	258,175	258,175	458,175
	TOTAL PREPAID ACCOUNTS & DEFERRED CHARGES	$10,332	$10,658	$10,353	$9,413	$10,172	$12,973	$286,206	$359,794	$492,904
	TOTAL ASSETS AND OTHER DEBITS	$4,126,912	$6,461,745	$6,242,415	$6,855,245	$7,202,968	$8,054,368	$9,361,757	$9,914,489	$11,735,464

TABLE 25.2

BLOCK 2: BALANCE SHEET -- LIABILITIES
AUGUST 2, 1988

25 WHIDBEY TELEPHONE - TOTAL COMPANY OPERATIONS
BALANCE SHEET - LIABILITIES AND OTHER CREDITS

		1979	1980	1981	1982	1983	1984	1985	1986	1987
STOCKHOLDERS EQUITY										
150	CAPITAL STOCK (ACTUALLY OUTSTANDING)	$95,000	$95,000	$95,000	$75,000	$75,000	$75,000	$75,000	$75,000	$75,000
152	PREMIUM ON CAPITAL STOCK	0	0	0	0	0	0	0	0	0
179	OTHER CAPITAL	0	0	0	0	0	0	0	0	0
180	RETAINED EARNINGS RESERVED	0	0	0	0	0	0	0	0	0
181	UNAPPROPRIATED RETAINED EARNINGS	1,399,482	2,757,325	3,413,404	4,205,041	4,642,898	5,442,163	6,343,726	7,081,930	8,424,982
134.1	LESS: DISCOUNT ON CAPITAL STOCK	0	0	0	0	0	0	0	0	0
134.2	CAPITAL STOCK EXPENSE	0	0	0	0	0	0	0	0	0
	TOTAL NET STOCKHOLDERS' EQUITY	$1,494,482	$2,852,325	$3,508,404	$4,280,041	$4,717,898	$5,517,163	$6,418,726	$7,156,930	$8,499,982
LONG-TERM DEBT										
154.1	FUNDED DEBT	$2,074,425	$1,979,790	$1,898,446	$1,815,474	$1,731,214	$1,648,286	$1,563,692	$1,477,396	$0
156	ADVANCES FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
157	OTHER LONG-TERM DEBT	0	0	0	0	0	0	0	0	0
	TOTAL LONG-TERM DEBT	$2,074,425	$1,979,790	$1,898,446	$1,815,474	$1,731,214	$1,648,286	$1,563,692	$1,477,396	$0
CURRENT AND ACCRUED LIABILITIES										
158.1	NOTES PAYABLE TO AFFILIATED COMPANIES	$0	$0	$0	$0	$0	$0	$0	$0	$0
158.2	OTHER NOTES PAYABLE	0	0	264,157	170,000	0	0	0	0	1,545,000
159.1	ACCOUNTS PAYABLE TO AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
159.2	OTHER ACCOUNTS PAYABLE	482,871	604,254	478,894	460,354	164,886	90,398	266,923	278,100	288,286
160	CUSTOMERS' DEPOSITS	12,838	9,533	9,898	14,324	17,389	23,278	28,190	36,691	35,498
162	MATURED INTEREST AND DIVIDENDS	1,360	954	7,847	6,008	14,992	16,429	0	0	0
163	MATURED LONG-TERM DEBT	0	0	0	0	0	0	0	0	0
164	ADVANCE BILLING AND PAYMENTS	0	0	0	0	0	0	0	0	0
165	OTHER CURRENT LIABILITIES	0	0	0	0	0	0	0	0	0
166	TAXES ACCRUED	60,935	1,014,889	74,769	109,044	122,874	135,244	315,738	107,551	284,410
167	UNMATURED INTEREST, DIV. & RENTS ACCRUED	0	0	0	0	0	0	0	0	6,000
	TOTAL CURRENT AND ACCRUED LIABILITIES	$558,004	$1,629,630	$835,565	$759,730	$320,141	$265,349	$610,851	$422,342	$2,159,194
DEFERRED CREDITS AND OPERATING RESERVES										
168	PREMIUM ON LONG-TERM DEBT	$0	$0	$0	$0	$0	$0	$0	$0	$0
169	INSURANCE RESERVES	0	0	0	0	0	0	0	0	0
170	PROVIDENT RESERVES	0	0	0	0	0	0	0	0	0
174	OTHER DEFERRED CREDITS	0	0	0	0	241,755	306,903	299,093	270,154	252,149
176.1	ACCUM.DEFERRED INCOME TAXES-ACC. TAX DEP.	0	0	0	0	191,960	316,667	469,395	587,667	824,139
176.2	ACCUM.DEFERRED INCOME TAXES - OTHER	0	0	0	0	0	0	0	0	0
	TOTAL DEFERRED CREDITS & OPERATING RESERVES	$0	$0	$0	$0	$433,715	$623,570	$768,488	$857,821	$1,076,288
	TOTAL LIABILITIES AND OTHER CREDITS	$4,126,911	$6,461,745	$6,242,415	$6,855,245	$7,202,968	$8,054,368	$9,361,757	$9,914,489	$11,735,464

TABLE 25.3

BLOCK 3:
AUGUST 2, 1988

25 WHIDBEY TELEPHONE - TOTAL COMPANY OPERATIONS
INCOME AND RETAINED EARNINGS STATEMENT

NET INCOME	1979	1980	1981	1982	1983	1984	1985	1986	1987
NET OPERATING INCOME -WASHINGTON	$271,640	$1,380,442	$635,115	$849,905	$522,369	$818,626	$961,697	$724,087	$842,145
-OTHER STATES	0	0	0	0	0	0	0	0	0
TOTAL NET OPERATING INCOME	$271,640	$1,380,442	$635,115	$849,905	$522,369	$818,626	$961,697	$724,087	$842,145
INTEREST CHARGED TO CONSTRUCTION	0	0	0	0	0	0	0	0	0
OTHER INCOME	5,751	64,216	103,154	45,467	49,171	58,212	93,959	98,762	637,797
MISCELLANEOUS DEDUCTIONS FROM INCOME	7,397	27,070	18,236	3,832	(2,759)	13,630	94,928	31,115	63,874
INTEREST ON FUNDED DEBT	42,738	40,674	38,966	37,338	35,661	33,989	32,324	30,621	14,538
OTHER FIXED CHARGES	6,209	17,371	22,863	62,496	50,516	31,922	15,262	22,909	60,245
EXTRAORDINARY/DELAYED ITEMS BEFORE TAX EFFECT	0	0	0	0	0	0	0	0	0
INCOME TAX EFFECT OF EXTRAORDINARY/DELAYED ITEMS	0	0	0	0	0	0	0	0	0
NET INCOME	$221,047	$1,359,543	$658,204	$791,706	$488,122	$797,297	$913,142	$738,204	$1,341,285
RETAINED EARNINGS (ACCOUNT 181)									
BALANCE AT BEGINNING OF YEAR	$1,181,836	$1,399,483	$2,757,326	$3,413,405	$4,205,042	$4,642,899	$5,442,163	$6,343,726	$7,081,930
CREDITS: NET INCOME(AS ABOVE)	$221,047	$1,359,543	$658,204	$791,706	$488,122	$797,297	$913,142	$738,204	$1,341,285
OTHER CREDITS	0	0	0	0	285,179	1,968	34,721	0	1,767
TOTAL CREDITS	$221,047	$1,359,543	$658,204	$791,706	$773,301	$799,265	$947,863	$738,204	$1,343,052
DEBITS: DIVIDEND APPROPRIATIONS	$3,400	$1,700	$2,125	$69	$335,444	$0	$0	$0	$0
OTHER DEBITS	0	0	0	0	0	0	46,300	0	0
TOTAL DEBITS	$3,400	$1,700	$2,125	$69	$335,444	$0	$46,300	$0	$0
BALANCE AT END OF YEAR	$1,399,483	$2,757,326	$3,413,405	$4,205,042	$4,642,899	$5,442,164	$6,343,726	$7,081,930	$8,424,982

TABLE 25.4

BLOCK 4:
AUGUST 2, 1988

25 WHIDBEY TELEPHONE - TOTAL COMPANY OPERATIONS
NET OPERATING INCOME AND PLANT STATISTICS

	1979	1980	1981	1982	1983	1984	1985	1986	1987
OPERATING REVENUES									
LOCAL SERVICE	$578,490	$609,543	$667,234	$698,103	$725,398	$796,179	$859,887	$949,329	$1,109,285
ACCESS REVENUES	0	0	0	0	0	1,349,610	2,690,701	2,452,201	2,811,364
TOLL SERVICE	990,214	3,108,711	1,926,804	2,462,207	2,366,354	1,396,686	444,956	142,728	0
MISCELLANEOUS	95,183	155,755	108,043	115,188	82,365	189,587	436,807	351,987	706,974
UNCOLLECTIBLES - DEBIT	12,437	28,161	0	10,150	12,793	13,000	21,365	1,700	0
TOTAL OPERATING REVENUES	$1,651,450	$3,845,848	$2,702,081	$3,265,348	$3,161,324	$3,719,062	$4,410,986	$3,894,545	$4,627,623
OPERATING REVENUE EXPENSES									
MAINTENANCE	$178,782	$243,346	$350,827	$537,641	$557,795	$455,672	$664,828	$544,117	$631,791
DEPRECIATION AND AMORTIZATION	323,576	350,033	389,078	377,837	421,653	458,050	480,190	475,138	664,575
TRAFFIC	127,499	141,779	179,345	222,324	214,456	225,295	230,879	266,310	244,663
COMMERCIAL	180,988	204,997	161,805	164,706	140,076	236,073	271,059	252,532	253,917
ACCESS EXPENSES	0	0	0	0	0	0	0	0	0
GENERAL OFFICE	253,142	274,198	349,328	408,237	449,302	536,087	625,969	575,585	669,652
OTHER OPERATING EXPENSES	172,150	156,106	206,189	267,973	294,297	300,410	314,195	344,944	376,778
TOTAL OPERATING REVENUE EXPENSES	$1,236,137	$1,370,459	$1,636,572	$1,978,718	$2,077,579	$2,211,587	$2,587,120	$2,458,626	$2,841,376
INVESTMENT CREDIT - NET	$0	$0	$0	$0	$0	$56,006	$19,249	($28,939)	($28,583)
FEDERAL INCOME TAXES	9,323	917,834	254,193	219,994	311,355	327,047	510,241	421,615	515,127
OTHER OPERATING TAXES	134,350	177,113	176,201	216,731	181,246	183,866	205,717	200,884	221,086
OPERATING FED.INCOME TAX DEFER - ACC.DEP	0	0	0	0	68,775	118,441	126,962	118,272	236,472
OPER.FED. INCOME TAX DEFER - OTHER	0	0	0	0	0	3,489	0	0	0
INC. CREDITS FROM PRIOR FED. TAXES	0	0	0	0	0	0	0	0	0
TOTAL OPERATING TAXES	$143,673	$1,094,947	$430,394	$436,725	$561,376	$688,849	$862,169	$711,832	$944,102
TOTAL OPERATING REV DEDUCTIONS	$1,379,810	$2,465,406	$2,066,966	$2,415,443	$2,638,955	$2,900,436	$3,449,289	$3,170,458	$3,785,478
NET OPERATING INCOME	$271,640	$1,380,442	$635,115	$849,905	$522,369	$818,626	$961,697	$724,087	$842,145
100.1 TELEPHONE PLANT IN SERVICE	$6,255,238	$7,113,889	$7,929,435	$9,109,289	$9,525,338	$10,376,724	$11,074,484	$11,897,541	$15,050,274
100.3 PROPERTY HELD FOR FUTURE USE	0	0	0	0	9,549	0	0	0	0
LESS: 171 & 172 DEP. & AMORT. RESERVES	2,539,658	2,893,868	2,861,610	3,195,732	3,517,240	3,950,565	4,470,094	5,014,772	5,260,421
NET TELEPHONE PLANT END OF YEAR(DEC)	$3,715,580	$4,220,021	$5,067,825	$5,913,557	$6,017,647	$6,426,159	$6,604,390	$6,882,769	$9,789,853
PRIMARY STATISTICS									
MILES OF: WIRE IN CABLE	72,470	73,532	74,321	74,693	75,597	76,446	76,534	76,812	78,210
AERIAL WIRE	0	0	0	0	0	0	0	0	0
UNDERGROUND CONDUIT (SINGLE DUCT)	0	0	0	0	0	0	0	0	0
CARRIER CHANNEL(TELEPHONE)	717	3,766	7,921	10,157	10,960	14,159	15,192	15,192	18,162
NUMBER OF POLES	0	0	0	0	0	0	0	0	0
NUMBER OF CENTRAL OFFICES	2	2	2	2	1	1	1	1	1
ACCESS LINES(RESIDENTIAL)	0	0	0	0	0	4,260	4,406	4,685	4,887
ACCESS LINES(BUSINESS)	0	0	0	0	0	775	807	876	866
ACCESS LINES(PUBLIC)	0	0	0	0	0	42	45	46	94
ACCESS LINES(TOTAL)	0	0	0	0	0	5,077	5,258	5,607	5,847

TABLE 26.1

BLOCK1: BALANCE SHEET -- ASSETS
JULY 29, 1988

26 YELM TELEPHONE - TOTAL COMPANY OPERATIONS
BALANCE SHEET - ASSETS AND OTHER DEBITS

		1979	1980	1981	1982	1983	1984	1985	1986	1987
TELEPHONE PLANT										
100.1	TELEPHONE PLANT IN SERVICE	$4,757,826	$5,673,115	$6,052,970	$6,623,940	$7,083,730	$7,377,483	$7,874,511	$8,628,824	$8,934,965
100.2	TELEPHONE PLANT UNDER CONSTRUCTION	15,447	0	1,577	0	0	0	15,756	0	0
100.3	PROPERTY HELD FOR FUTURE TELEPHONE USE	0	0	0	0	0	0	0	0	0
100.4	TELEPHONE PLANT ACQUISITION ADJUSTMENT	0	0	0	0	0	0	0	0	0
171	LESS: DEPRECIATION RESERVE	1,444,283	839,234	1,239,068	1,651,615	2,114,486	2,549,411	3,013,634	3,438,915	3,685,011
172	AMORTIZATION RESERVE	0	0	0	0	0	0	0	0	0
	TOTAL NET TELEPHONE PLANT	$3,328,990	$4,833,881	$4,815,479	$4,972,325	$4,969,244	$4,828,072	$4,876,633	$5,189,909	$5,249,954
INVESTMENTS AND FUNDS										
101.1	INVESTMENTS IN AFFILIATED COMPANIES	$0	$0	$0	$0	$57,450	$0	$0	$0	$0
101.2	ADVANCES TO AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
102	OTHER INVESTMENTS	135,600	219,000	357,570	383,570	390,270	382,079	373,922	131,613	131,613
103	MISCELLANEOUS PHYSICAL PROPERTY	0	60,000	0	0	0	0	0	0	0
104	SINKING FUNDS(EXCLUDING OWN ISSUES)	0	0	0	0	0	0	0	0	0
106	NONREGULATED INVESTMENT	0	0	0	0	0	0	0	0	47,125
136	PROVIDENT FUNDS(EXCLUDING OWN ISSUES)	0	0	0	0	0	0	0	0	0
	TOTAL INVESTMENTS AND FUNDS	$135,600	$279,000	$357,570	$383,570	$447,720	$382,079	$373,922	$131,613	$178,738
CURRENT ASSETS										
113	CASH	$91,047	$178,515	$220,588	$43,038	($366)	$5,086	$34,862	$280,836	$336,312
114	SPECIAL CASH DEPOSITS	0	0	0	0	0	0	0	0	0
115	WORKING FUNDS	0	0	0	0	0	0	0	0	0
116	TEMPORARY CASH INVESTMENTS	101,115	182,133	400,000	795,277	1,048,845	1,139,966	1,279,875	919,362	1,272,689
117.1	NOTES RECEIVABLE FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
117.2	OTHER NOTES RECEIVABLE	0	0	0	0	0	0	0	0	0
118	DUE FROM CUSTOMERS AND AGENTS	41,365	68,979	111,586	116,128	150,282	203,617	296,160	193,998	141,597
120.1	ACCTS RECEIVABLE FROM AFFILIATED COMPANIES	0	0	0	0	0	262,254	645,804	1,430,960	1,353,192
120.2	OTHER ACCOUNTS RECEIVABLE	0	0	0	0	0	0	0	0	0
121	INTEREST AND DIVIDENDS RECEIVABLE	0	0	2,592	1,813	0	6,200	6,058	0	0
122	MATERIAL AND SUPPLIES	26,149	32,532	71,638	61,604	43,251	48,564	57,015	115,897	55,438
123	OTHER CURRENT ASSETS	0	0	0	0	3,518	15,981	249	6,973	5,409
	TOTAL CURRENT ASSETS	$259,676	$462,159	$806,404	$1,017,860	$1,245,530	$1,681,668	$2,320,023	$2,948,026	$3,164,637
PREPAID ACCOUNTS AND DEFERRED CHARGES										
129	PREPAID RENTS	$17,845	$0	$0	$0	$0	$0	$0	$0	$0
130	PREPAID TAXES	39,083	97,435	0	0	0	0	0	(7)	0
131	PREPAID INSURANCE	6,040	5,600	4,350	4,920	5,042	6,450	4,[illegible]3	6,765	7,224
132	PREPAID DIRECTORY EXPENSESS	0	0	0	0	0	0	[illegible]	0	0
133	OTHER PREPAYMENTS	0	0	0	0	0	0	0	0	0
135	DISCOUNT ON LONG-TERM DEBT	2,786	2,689	2,565	2,442	2,318	2,195	2,072	1,948	1,825
138	EXTRAORDINARY MAINTENANCE & RETIREMENTS	0	0	0	0	0	0	0	0	0
139	OTHER DEFERRED CHARGES	0	0	0	0	0	0	0	0	0
	TOTAL PREPAID ACCOUNTS & DEFERRED CHARGES	$65,754	$105,724	$6,915	$7,362	$7,360	$8,645	$7,372	$8,706	$9,049
	TOTAL ASSETS AND OTHER DEBITS	$3,790,020	$5,680,764	$5,986,368	$6,381,117	$6,669,854	$6,900,464	$7,577,950	$8,278,254	$8,602,378

TABLE 26.2

BLOCK 2: BALANCE SHEET -- LIABILITIES
JULY 29, 1988

26 YELM TELEPHONE - TOTAL COMPANY OPERATIONS
BALANCE SHEET - LIABILITIES AND OTHER CREDITS

		1979	1980	1981	1982	1983	1984	1985	1986	1987
STOCKHOLDERS EQUITY										
150	CAPITAL STOCK (ACTUALLY OUTSTANDING)	$42,800	$42,800	$29,400	$29,400	$29,400	$29,400	$29,400	$29,400	$29,400
152	PREMIUM ON CAPITAL STOCK	19,150	19,150	19,150	19,150	19,150	19,150	19,150	19,150	19,150
179	OTHER CAPITAL	266	266	266	266	266	266	266	266	266
180	RETAINED EARNINGS RESERVED	0	0	0	0	0	0	0	0	0
181	UNAPPROPRIATED RETAINED EARNINGS	1,211,732	1,396,480	1,597,124	1,929,438	2,269,452	2,449,728	2,652,492	3,233,993	3,958,007
134.1	LESS: DISCOUNT ON CAPITAL STOCK	0	0	0	0	0	0	0	0	0
134.2	CAPITAL STOCK EXPENSE	0	0	0	0	0	0	0	0	0
	TOTAL NET STOCKHOLDERS' EQUITY	$1,273,948	$1,458,696	$1,645,940	$1,978,254	$2,318,268	$2,498,544	$2,701,308	$3,282,809	$4,006,823
LONG-TERM DEBT										
154.1	FUNDED DEBT	$1,899,564	$3,209,359	$3,302,736	$3,253,768	$3,194,897	$3,127,270	$3,062,574	$2,994,916	$2,924,098
156	ADVANCES FROM AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
157	OTHER LONG-TERM DEBT	0	0	0	0	0	0	0	0	0
	TOTAL LONG-TERM DEBT	$1,899,564	$3,209,359	$3,302,736	$3,253,768	$3,194,897	$3,127,270	$3,062,574	$2,994,916	$2,924,098
CURRENT AND ACCRUED LIABILITIES										
158.1	NOTES PAYABLE TO AFFILIATED COMPANIES	$0	$0	$0	$0	$0	$0	$0	$0	$0
158.2	OTHER NOTES PAYABLE	0	0	0	0	0	0	0	0	0
159.1	ACCOUNTS PAYABLE TO AFFILIATED COMPANIES	0	0	0	0	0	0	0	0	0
159.2	OTHER ACCOUNTS PAYABLE	98,642	195,758	79,680	97,480	44,083	65,334	49,688	53,615	19,614
160	CUSTOMERS' DEPOSITS	12,694	8,448	9,093	8,907	8,875	536	7,825	11,538	38,399
162	MATURED INTEREST AND DIVIDENDS	0	0	0	0	0	0	0	0	0
163	MATURED LONG-TERM DEBT	0	0	0	0	0	0	0	0	0
164	ADVANCE BILLING AND PAYMENTS	0	0	0	0	0	0	0	0	0
165	OTHER CURRENT LIABILITIES	122,897	237,732	282,512	199,467	171,821	263,891	700,821	604,585	301,100
166	TAXES ACCRUED	4,915	12,069	15,344	50,660	54,753	52,911	127,559	414,794	417,029
167	UNMATURED INTEREST, DIV. & RENTS ACCRUED	13,520	31,634	31,584	31,399	31,531	31,400	30,984	30,621	30,575
	TOTAL CURRENT AND ACCRUED LIABILITIES	$252,668	$485,641	$418,213	$387,913	$311,063	$414,072	$916,877	$1,115,153	$806,717
DEFERRED CREDITS AND OPERATING RESERVES										
168	PREMIUM ON LONG-TERM DEBT	$0	$0	$0	$0	$0	$0	$0	$0	$0
169	INSURANCE RESERVES	0	0	0	0	0	0	0	0	0
170	PROVIDENT RESERVES	0	0	0	0	0	0	0	0	0
174	OTHER DEFERRED CREDITS	218,759	340,747	368,251	388,638	393,953	377,435	370,948	325,266	297,856
176.1	ACCUM.DEFERRED INCOME TAXES-ACC. TAX DEP.	145,081	186,321	251,228	372,544	451,673	483,143	526,243	560,110	449,727
176.2	ACCUM.DEFERRED INCOME TAXES - OTHER	0	0	0	0	0	0	0	0	117,157
	TOTAL DEFERRED CREDITS & OPERATING RESERVES	$363,840	$527,068	$619,479	$761,182	$845,626	$860,578	$897,191	$885,376	$864,740
	TOTAL LIABILITIES AND OTHER CREDITS	$3,790,020	$5,680,764	$5,986,368	$6,381,117	$6,669,854	$6,900,464	$7,577,950	$8,278,254	$8,602,378

TABLE 26.3

BLOCK 3:
JULY 29, 1988

26 YELM TELEPHONE - TOTAL COMPANY OPERATIONS
INCOME AND RETAINED EARNINGS STATEMENT

NET INCOME	1979	1980	1981	1982	1983	1984	1985	1986	1987
NET OPERATING INCOME -WASHINGTON	$305,821	$354,009	$436,136	$478,173	$471,400	$409,911	$397,943	$688,204	$883,406
-OTHER STATES	0	0	0	0	0	0	0	0	0
TOTAL NET OPERATING INCOME	$305,821	$354,009	$436,136	$478,173	$471,400	$409,911	$397,943	$688,204	$883,406
INTEREST CHARGED TO CONSTRUCTION	0	0	0	0	0	0	0	0	0
OTHER INCOME	5,903	11,748	52,304	63,743	75,575	125,705	106,454	93,567	35,466
MISCELLANEOUS DEDUCTIONS FROM INCOME	961	200	307	1,013	110	1,515	1,835	858	900
INTEREST ON FUNDED DEBT	80,702	150,422	202,469	207,688	205,853	203,122	199,481	196,572	193,775
OTHER FIXED CHARGES	8,460	7,407	4,965	901	998	703	317	2,840	183
EXTRAORDINARY/DELAYED ITEMS BEFORE TAX EFFECT	0	0	0	0	0	0	0	0	0
INCOME TAX EFFECT OF EXTRAORDINARY/DELAYED ITEMS	0	0	0	0	0	0	0	0	0
NET INCOME	$221,601	$207,728	$280,699	$332,314	$340,014	$330,276	$302,764	$581,501	$724,014
RETAINED EARNINGS (ACCOUNT 181)									
BALANCE AT BEGINNING OF YEAR	$1,013,111	$1,211,732	$1,396,480	$1,597,124	$1,929,438	$2,269,452	$2,449,728	$2,652,492	$3,233,993
CREDITS: NET INCOME(AS ABOVE)	$221,601	$207,728	$280,699	$332,314	$340,014	$330,276	$302,764	$581,501	$724,014
OTHER CREDITS	0	0	0	0	0	0	0	0	0
TOTAL CREDITS	$221,601	$207,728	$280,699	$332,314	$340,014	$330,276	$302,764	$581,501	$724,014
DEBITS: DIVIDEND APPROPRIATIONS	$0	$0	$0	$0	$0	$150,000	$100,000	$0	$0
OTHER DEBITS	22,980	22,980	80,055	0	0	0	0	0	0
TOTAL DEBITS	$22,980	$22,980	$80,055	$0	$0	$150,000	$100,000	$0	$0
BALANCE AT END OF YEAR	$1,211,732	$1,396,480	$1,597,124	$1,929,438	$2,269,452	$2,449,728	$2,652,492	$3,233,993	$3,958,007

TABLE 26.4

BLOCK 4:
JULY 29, 1988

26 YELM TELEPHONE - TOTAL COMPANY OPERATIONS
NET OPERATING INCOME AND PLANT STATISTICS

	1979	1980	1981	1982	1983	1984	1985	1986	1987
OPERATING REVENUES									
LOCAL SERVICE	$357,300	$408,509	$460,018	$509,566	$551,910	$597,914	$668,488	$709,920	$793,697
ACCESS REVENUES	0	0	0	0	0	1,477,244	1,506,416	1,966,628	1,908,133
TOLL SERVICE	923,354	1,111,302	1,300,077	1,479,128	1,493,935	24,333	12,526	42,788	(54,726)
MISCELLANEOUS	23,842	29,013	34,250	39,801	48,844	98,973	127,702	141,371	329,192
UNCOLLECTIBLES - DEBIT	1,466	5,663	(195)	749	1,271	5,379	10,760	39,796	22,809
TOTAL OPERATING REVENUES	$1,303,030	$1,543,161	$1,794,540	$2,027,746	$2,093,418	$2,193,085	$2,304,372	$2,820,911	$2,953,487
OPERATING REVENUE EXPENSES									
MAINTENANCE	$138,797	$192,845	$219,636	$301,178	$258,991	$307,104	$314,745	$327,248	$297,580
DEPRECIATION AND AMORTIZATION	244,344	361,797	426,360	404,491	429,929	454,590	457,417	455,634	475,098
TRAFFIC	7,211	7,291	8,165	23,333	11,152	15,958	13,599	2,610	4,627
COMMERCIAL	83,038	96,470	113,345	106,826	94,107	96,845	165,235	172,412	152,247
ACCESS EXPENSES	0	0	0	0	0	0	0	0	0
GENERAL OFFICE	180,560	200,185	221,983	268,236	361,527	401,366	417,032	355,025	355,815
OTHER OPERATING EXPENSES	108,853	129,008	128,297	138,951	153,105	237,550	290,853	320,604	301,236
TOTAL OPERATING REVENUE EXPENSES	$762,803	$987,596	$1,117,786	$1,243,015	$1,308,811	$1,513,413	$1,658,881	$1,633,533	$1,586,603
INVESTMENT CREDIT - NET	$72,739	$121,988	$27,504	$20,387	$5,315	($16,518)	($6,487)	($45,682)	($40,363)
FEDERAL INCOME TAXES	36,916	(57,432)	37,386	29,847	98,979	146,007	98,340	389,849	399,065
OTHER OPERATING TAXES	101,155	95,760	110,821	135,008	129,784	108,802	112,595	126,307	118,002
OPERATING FED.INCOME TAX DEFER - ACC.DEP	23,596	41,240	64,907	121,316	79,129	31,470	43,100	28,700	23,511
OPER.FED. INCOME TAX DEFER - OTHER	0	0	0	0	0	0	0	0	(16,737)
INC. CREDITS FROM PRIOR FED. TAXES	0	0	0	0	0	0	0	0	0
TOTAL OPERATING TAXES	$234,406	$201,556	$240,618	$306,558	$313,207	$269,761	$247,548	$499,174	$483,478
TOTAL OPERATING REV DEDUCTIONS	$997,209	$1,189,152	$1,358,404	$1,549,573	$1,622,018	$1,783,174	$1,906,429	$2,132,707	$2,070,081
NET OPERATING INCOME	$305,821	$354,009	$436,136	$478,173	$471,400	$409,911	$397,943	$688,204	$883,406
100.1 TELEPHONE PLANT IN SERVICE	$4,757,826	$5,673,115	$6,052,970	$6,623,940	$7,083,730	$7,377,483	$7,874,511	$8,628,824	$8,934,965
100.3 PROPERTY HELD FOR FUTURE USE	0	0	0	0	0	0	0	0	0
LESS: 171 & 172 DEP. & AMORT. RESERVES	1,444,283	839,234	1,239,068	1,651,615	2,114,486	2,549,411	3,013,634	3,438,915	3,685,011
NET TELEPHONE PLANT END OF YEAR(DEC)	$3,313,543	$4,833,881	$4,813,902	$4,972,325	$4,969,244	$4,828,072	$4,860,877	$5,189,909	$5,249,954
PRIMARY STATISTICS									
MILES OF: WIRE IN CABLE	142,408	143,266	142,721	150,112	154,035	153,941	157,856	161,799	174,207
AERIAL WIRE	0	0	0	0	0	0	0	0	0
UNDERGROUND CONDUIT (SINGLE DUCT)	7	7	7	7	8	9	9	9	9
CARRIER CHANNEL(TELEPHONE)	0	0	0	0	2,044	2,044	2,044	2,044	2,152
NUMBER OF POLES	2,030	2,030	1,909	1,909	1,869	1,783	1,682	1,671	1,671
NUMBER OF CENTRAL OFFICES	3	3	3	3	3	3	3	3	3
ACCESS LINES(RESIDENTIAL)	0	0	0	0	0	5,686	3,990	4,112	4,269
ACCESS LINES(BUSINESS)	0	0	0	0	0	930	662	712	664
ACCESS LINES(PUBLIC)	0	0	0	0	0	9	13	30	153
ACCESS LINES(TOTAL)	0	0	0	0	0	6,625	4,665	4,854	5,086

TABLE 27.4

BLOCK4: NET OPER.INCOME AND PLANT STATS.
TOTAL COMPANY
AUGUST 1, 1988

ASOTIN TELEPHONE - TOTAL COMPANY OPERATIONS
NET OPERATING INCOME AND PLANT STATISTICS

	1979	1980	1981	1982	1983	1984	1985	1986	1987
OPERATING REVENUES									
LOCAL SERVICE	$134,739	$147,032	$154,766	$161,919	$134,462	$155,617	$183,613	$245,832	$233,836
ACCESS REVENUES	0	0	0	0	0	287,704	527,797	574,733	616,279
TOLL SERVICE	147,003	247,874	435,241	479,984	467,044	267,294	(16,992)	17,174	6,835
MISCELLANEOUS	14,082	14,788	14,683	13,289	10,772	31,882	66,845	74,294	80,886
UNCOLLECTIBLES - DEBIT	1,516	6,465	7,356	7,069	5,900	686	(816)	7,479	(1,056)
TOTAL OPERATING REVENUES	$294,308	$403,229	$597,334	$648,123	$606,378	$741,811	$762,078	$904,554	$938,892
OPERATING REVENUE EXPENSES									
MAINTENANCE	$58,338	$65,454	$116,139	$91,422	$92,693	$94,794	$115,182	$116,687	$91,473
DEPRECIATION AND AMORTIZATION	44,365	46,218	88,052	199,919	191,603	190,717	208,061	221,287	239,184
TRAFFIC	2,422	3,688	5,438	9,091	4,430	7,426	7,275	5,992	5,852
COMMERCIAL	27,671	31,761	28,189	33,435	35,457	44,245	39,713	44,982	41,157
ACCESS EXPENSES	0	0	0	0	0	0	0	0	0
GENERAL OFFICE	29,848	32,058	44,584	57,201	67,059	100,730	119,382	105,406	127,756
OTHER OPERATING EXPENSES	50,084	61,795	69,858	110,347	63,551	77,374	107,694	99,468	67,358
TOTAL OPERATING REVENUE EXPENSES	$212,728	$240,974	$352,260	$501,415	$454,793	$515,286	$597,307	$593,822	$572,780
INVESTMENT CREDIT - NET	$4,019	$20,142	$35,909	($7,071)	($345)	$34,368	$23,384	$41,221	($35,112)
FEDERAL INCOME TAXES	0	16,884	5,323	(2,561)	(10,732)	(18,280)	(26,371)	45,647	167,148
OTHER OPERATING TAXES	15,612	19,547	22,367	34,278	39,123	46,356	36,813	30,549	34,398
OPERATING FED.INCOME TAX DEFER - ACC.DEP	3,879	34	29,075	38,648	44,183	47,851	43,134	19,422	(37,105)
OPER.FED. INCOME TAX DEFER - OTHER	0	0	0	(2)	(67)	(52)	(15)	(14)	(787)
INC. CREDITS FROM PRIOR FED. TAXES	0	0	0	0	0	0	0	0	0
TOTAL OPERATING TAXES	$23,510	$56,607	$92,674	$63,292	$72,162	$110,243	$76,944	$136,825	$128,542
TOTAL OPERATING REV DEDUCTIONS	$236,238	$297,581	$444,934	$564,707	$526,955	$625,529	$674,251	$730,647	$701,322
NET OPERATING INCOME	$58,070	$105,648	$152,400	$83,416	$79,423	$116,282	$87,827	$173,907	$237,570
100.1 TELEPHONE PLANT IN SERVICE	$1,131,500	$1,128,495	$2,770,089	$2,825,369	$2,837,231	$2,840,718	$2,907,847	$2,950,738	$3,795,983
100.3 PROPERTY HELD FOR FUTURE USE	0	0	0	0	0	0	0	0	0
LESS: 171 & 172 DEP. & AMORT. RESERVES	351,936	375,289	335,297	511,281	661,016	824,514	1,020,156	1,241,217	1,341,206
NET TELEPHONE PLANT END OF YEAR(DEC)	$779,564	$753,206	$2,434,792	$2,314,088	$2,176,215	$2,016,204	$1,887,691	$1,709,521	$2,454,777
PRIMARY STATISTICS									
MILES OF: WIRE IN CABLE	2,330	2,331	2,331	2,331	11,594	11,594	11,594	11,569	11,569
AERIAL WIRE	196	203	203	203	59	59	59	30	30
UNDERGROUND CONDUIT (SINGLE DUCT)	0	0	0	0	0	0	0	0	0
CARRIER CHANNEL(TELEPHONE)	0	0	0	0	0	0	0	0	0
NUMBER OF POLES	0	882	882	882	447	447	447	408	408
NUMBER OF CENTRAL OFFICES	3	3	3	3	3	3	3	3	3
ACCESS LINES(RESIDENTIAL)	0	0	0	0	0	764	760	737	774
ACCESS LINES(BUSINESS)	0	0	0	0	0	130	115	115	109
ACCESS LINES(PUBLIC)	0	0	0	0	0	5	5	5	5
ACCESS LINES(TOTAL)	0	0	0	0	0	899	880	857	888

TABLE 28.4

BLOCK4 : NET INCOME & PLANT STATS.(TOTAL COMPANY)
AUGUST 2, 1988

03 CONTINENTAL TELEPHONE - TOTAL COMPANY OPERATIONS
NET OPERATING INCOME AND PLANT STATISTICS

	1979	1980	1981	1982	1983	1984	1985	1986	1987
OPERATING REVENUES									
LOCAL SERVICE	$9,706,067	$10,622,204	$12,992,776	$13,982,347	$15,618,973	$16,913,671	$17,981,201	$19,854,924	$21,118,052
ACCESS REVENUES	0	0	0	0	0	37,218,140	38,531,449	39,402,859	38,120,926
TOLL SERVICE	19,295,802	21,938,642	26,608,598	31,412,640	33,737,674	832,284	(348,138)	361,209	540,399
MISCELLANEOUS	867,312	972,817	1,118,404	1,165,903	1,381,463	2,639,835	3,280,615	3,818,808	4,342,349
UNCOLLECTIBLES - DEBIT	187,000	266,000	376,000	442,000	363,000	412,114	203,951	368,264	362,788
TOTAL OPERATING REVENUES	$29,682,181	$33,267,663	$40,343,778	$46,118,890	$50,375,110	$57,191,816	$59,241,176	$63,069,536	$63,758,938
OPERATING REVENUE EXPENSES									
MAINTENANCE	$6,427,606	$6,758,371	$9,236,601	$10,456,467	$9,865,061	$9,737,851	$9,376,779	$9,376,080	$8,864,562
DEPRECIATION AND AMORTIZATION	5,097,727	5,892,086	7,395,781	7,473,762	9,298,528	11,307,222	12,526,985	12,800,040	13,584,732
TRAFFIC	837,586	901,492	1,336,783	1,531,605	1,628,101	1,452,177	1,671,855	1,631,700	1,641,001
COMMERCIAL	1,941,914	2,349,786	2,926,919	3,340,084	3,737,611	4,113,530	4,202,346	4,242,354	4,760,842
ACCESS EXPENSES	0	0	0	0	0	0	0	0	0
GENERAL OFFICE	2,700,528	2,968,480	3,729,229	4,552,329	4,675,092	5,374,124	6,406,332	7,736,167	8,450,543
OTHER OPERATING EXPENSES	1,715,221	1,980,696	2,712,784	3,977,831	4,062,617	5,043,740	5,716,743	5,602,461	4,630,103
TOTAL OPERATING REVENUE EXPENSES	$18,720,582	$20,850,911	$27,338,097	$31,332,078	$33,267,010	$37,028,644	$39,901,040	$41,388,802	$41,931,783
INVESTMENT CREDIT - NET	$1,030,263	$1,106,873	$920,389	$1,266,811	$872,797	$909,289	$459,912	($925,773)	($594,465)
FEDERAL INCOME TAXES	825,790	869,958	1,111,467	545,663	2,704,681	3,766,946	3,450,404	6,457,913	6,577,999
OTHER OPERATING TAXES	2,102,728	2,208,860	2,492,118	2,807,866	2,724,940	2,913,958	2,804,922	2,991,427	3,356,545
OPERATING FED.INCOME TAX DEFER - ACC.DEP	185,897	178,264	393,595	1,533,394	1,359,607	2,005,076	2,318,692	1,431,451	900,103
OPER.FED. INCOME TAX DEFER - OTHER	29,376	50,802	10,473	(49,371)	(2,532)	(92,161)	(6,946)	100,267	(217,272)
INC. CREDITS FROM PRIOR FED. TAXES	0	0	0	0	0	0	0	0	0
TOTAL OPERATING TAXES	$4,174,054	$4,414,757	$4,928,042	$6,104,363	$7,659,493	$9,503,108	$9,026,984	$10,055,285	$10,022,910
TOTAL OPERATING REV DEDUCTIONS	$22,894,636	$25,265,668	$32,266,139	$37,436,441	$40,926,503	$46,531,752	$48,928,024	$51,444,087	$51,954,693
NET OPERATING INCOME	$6,787,545	$8,001,995	$8,077,639	$8,682,449	$9,448,607	$10,660,064	$10,313,152	$11,625,449	$11,804,245
100.1 TELEPHONE PLANT IN SERVICE	$86,541,013	$96,072,204	$108,581,626	$118,593,859	$127,998,429	$138,224,074	$146,552,447	$153,405,969	$157,999,587
100.3 PROPERTY HELD FOR FUTURE USE	0	32,893	33,919	39,801	1,026	1,026	0	0	0
LESS: 171 & 172 DEP. & AMORT. RESERVES	16,319,046	17,242,161	22,431,872	25,455,311	31,177,395	37,340,321	44,815,720	55,077,058	64,106,288
NET TELEPHONE PLANT END OF YEAR(DEC)	$70,221,967	$78,862,936	$86,183,673	$93,178,349	$96,822,060	$100,884,779	$101,736,727	$98,328,911	$93,893,299
PRIMARY STATISTICS									
MILES OF: WIRE IN CABLE	427,705	504,567	567,498	623,966	679,662	746,205	838,987	861,215	881,328
AERIAL WIRE	3,606	3,225	3,203	2,840	2,487	2,360	2,779	2,751	2,744
UNDERGROUND CONDUIT (SINGLE DUCT)	177	189	189	193	193	194	205	205	206
CARRIER CHANNEL(TELEPHONE)	0	0	0	0	0	0	0	0	0
NUMBER OF POLES	29,742	29,355	29,214	28,258	27,564	27,098	26,524	26,329	25,888
NUMBER OF CENTRAL OFFICES	42	42	42	42	42	42	44	44	43
ACCESS LINES(RESIDENTIAL)	0	0	0	0	0	54,743	55,805	57,223	59,701
ACCESS LINES(BUSINESS)	0	0	0	0	0	9,745	9,955	9,764	10,332
ACCESS LINES(PUBLIC)	0	0	0	0	0	579	589	610	627
ACCESS LINES(TOTAL)	0	0	0	0	0	65,067	66,349	67,597	70,660

TABLE 29.4

BLOCK4: NET INCOME & PLANT STATS.(Total company)
AUGUST 1, 1988

GENERAL TELEPHONE - TOTAL COMPANY OPERATIONS
NET OPERATING INCOME AND PLANT STATISTICS

	1979	1980	1981	1982	1983	1984	1985	1986	1987
OPERATING REVENUES									
LOCAL SERVICE	$137,239,029	$154,829,637	$167,663,973	$197,956,798	$210,352,599	$211,250,214	$215,301,622	$229,326,597	$229,134,480
ACCESS REVENUES	0	0	0	0	0	166,876,048	200,560,784	228,190,244	272,329,635
TOLL SERVICE	185,484,971	221,460,616	263,765,516	292,166,846	303,682,727	108,409,669	114,253,079	107,174,892	52,045,097
MISCELLANEOUS	9,030,302	10,845,589	12,819,412	14,505,401	29,435,371	75,989,693	87,292,872	89,308,251	87,635,062
UNCOLLECTIBLES - DEBIT	700,000	720,000	4,079,627	5,925,914	3,445,779	2,925,902	3,353,787	4,377,145	4,522,082
TOTAL OPERATING REVENUES	$331,054,302	$386,415,842	$440,169,274	$498,703,131	$540,024,918	$559,599,722	$614,054,569	$649,622,839	$636,622,192
OPERATING REVENUE EXPENSES									
MAINTENANCE	$74,048,300	$76,543,132	$85,385,104	$101,630,522	$101,695,183	$100,696,449	$104,966,951	$107,075,894	$98,959,758
DEPRECIATION AND AMORTIZATION	56,752,450	68,954,933	76,919,857	89,543,454	106,680,324	108,693,811	114,418,503	140,656,890	156,079,557
TRAFFIC	15,947,408	16,561,980	16,893,014	19,020,339	19,721,808	18,604,909	17,776,933	17,042,028	17,421,483
COMMERCIAL	24,871,768	27,908,258	30,205,890	31,714,910	45,829,250	51,418,783	59,134,444	62,486,502	64,900,500
ACCESS EXPENSES	0	0	0	0	0	0	0	0	0
GENERAL OFFICE	22,072,071	26,441,944	30,689,849	36,408,847	33,021,596	33,595,452	37,870,249	39,995,424	42,438,796
OTHER OPERATING EXPENSES	20,534,574	24,638,223	28,916,672	37,524,675	41,375,225	45,867,661	51,278,073	62,718,151	37,696,153
TOTAL OPERATING REVENUE EXPENSES	$214,226,571	$241,048,470	$269,010,386	$315,842,747	$348,323,386	$358,877,065	$385,445,153	$429,974,889	$417,496,247
INVESTMENT CREDIT - NET	$14,059,881	$20,257,933	$11,205,044	$3,405,795	($1,461,667)	$4,531,349	$5,074,059	($6,781,872)	($14,259,645)
FEDERAL INCOME TAXES	(5,564,316)	(15,141,526)	(333,441)	6,550,475	31,752,403	26,488,473	33,303,619	43,961,153	67,403,964
OTHER OPERATING TAXES	21,752,038	28,240,780	34,133,704	37,556,761	38,967,421	37,867,956	40,248,265	43,408,621	47,731,782
OPERATING FED.INCOME TAX DEFER - ACC.DEP	13,981,272	20,152,464	25,945,202	29,531,519	20,415,794	29,289,645	39,223,826	31,146,605	21,151,762
OPER.FED. INCOME TAX DEFER - OTHER	0	0	(553,857)	0	0	0	0	7,505,790	0
INC. CREDITS FROM PRIOR FED. TAXES	777,894	1,161,504	3,840,138	3,437,829	7,610,530	13,537,073	14,382,320	23,357,602	25,914,606
TOTAL OPERATING TAXES	$43,450,981	$52,348,147	$66,556,514	$73,606,721	$82,063,421	$84,640,350	$103,467,449	$95,882,695	$96,113,257
TOTAL OPERATING REV DEDUCTIONS	$257,677,552	$293,396,617	$335,566,900	$389,449,468	$430,386,807	$443,517,415	$488,912,602	$525,857,584	$513,609,504
NET OPERATING INCOME	$73,376,750	$93,019,225	$104,602,374	$109,253,663	$109,638,111	$116,082,307	$125,141,967	$123,765,255	$123,012,688
100.1 TELEPHONE PLANT IN SERVICE	$1,002,774,821	$1,203,625,390	$1,331,218,475	$1,400,414,380	$1,433,037,589	$1,514,415,063	$1,617,270,573	$1,713,662,077	$1,791,180,629
100.3 PROPERTY HELD FOR FUTURE USE	3,158,642	97,260	0	0	0	0	0	0	824,140
LESS: 171 & 172 DEP. & AMORT. RESERVES	187,491,192	207,196,838	224,488,015	265,529,495	335,427,852	375,118,815	407,908,380	458,807,568	481,436,704
NET TELEPHONE PLANT END OF YEAR(DEC)	$818,442,271	$996,525,812	$1,106,730,460	$1,134,884,885	$1,097,609,737	$1,139,296,248	$1,209,362,193	$1,254,854,509	$1,310,568,066
PRIMARY STATISTICS									
MILES OF: WIRE IN CABLE	5,493,274	6,332,911	6,646,076	6,794,132	6,887,163	7,012,034	7,248,544	7,485,303	7,703,484
AERIAL WIRE	19,394	14,208	13,567	13,350	13,048	12,864	12,722	12,357	12,164
UNDERGROUND CONDUIT (SINGLE DUCT)	3,295	3,287	3,280	3,306	3,329	3,370	3,501	3,656	3,761
CARRIER CHANNEL(TELEPHONE)	859,885	1,098,282	1,299,528	1,527,104	1,570,237	1,569,542	1,682,956	1,741,869	1,837,842
NUMBER OF POLES	209,648	211,032	208,645	207,919	206,975	207,395	206,705	204,225	203,904
NUMBER OF CENTRAL OFFICES	145	147	148	149	148	153	152	150	151
ACCESS LINES(RESIDENTIAL)	0	0	0	0	0	551,750	568,394	588,845	611,384
ACCESS LINES(BUSINESS)	0	0	0	0	0	132,105	153,377	166,353	183,820
ACCESS LINES(PUBLIC)	0	0	0	0	0	6,428	6,782	7,169	7,399
ACCESS LINES(TOTAL)	0	0	0	0	0	690,283	728,553	762,367	802,603

TABLE 30.4

BLOCK4: NET INCOME & PLANT STATS.
TOTAL COMPANY
AUGUST 9, 1988

INLAND (INCLUDING PRESCOTT) TELEPHONE - TOTAL COMPANY OPERATIONS
NET OPERATING INCOME AND PLANT STATISTICS

	1979	1980	1981	1982	1983	1984	1985	1986	1987
OPERATING REVENUES									
LOCAL SERVICE	$205,909	$211,554	$212,013	$235,194	$305,310	$315,599	$369,550	$347,763	$397,040
ACCESS REVENUES	0	0	0	0	0	769,303	890,049	1,271,860	1,179,106
TOLL SERVICE	617,822	648,166	726,117	874,750	812,181	149,963	8,652	(2,686)	30,671
MISCELLANEOUS	17,128	49,391	46,351	29,771	20,131	52,545	84,350	210,354	209,204
UNCOLLECTIBLES - DEBIT	4,195	3,895	7,690	9,006	5,293	7,248	5,210	(891)	4,905
TOTAL OPERATING REVENUES	$836,664	$905,216	$976,791	$1,130,709	$1,132,329	$1,280,162	$1,347,391	$1,828,182	$1,811,116
OPERATING REVENUE EXPENSES									
MAINTENANCE	$127,743	$164,163	$169,382	$224,218	$294,235	$279,552	$229,571	$278,408	$266,878
DEPRECIATION AND AMORTIZATION	78,715	98,633	120,549	148,117	159,207	167,486	188,418	194,937	206,897
TRAFFIC	2,578	4,493	5,673	10,619	4,792	7,019	5,993	938	52
COMMERCIAL	56,854	58,654	67,128	66,146	61,054	73,432	71,322	85,044	94,947
ACCESS EXPENSES	0	0	0	0	0	0	0	0	0
GENERAL OFFICE	237,306	289,982	303,324	319,475	384,472	480,198	381,310	428,870	470,610
OTHER OPERATING EXPENSES	47,869	57,048	65,094	65,942	77,549	89,385	100,748	144,221	154,792
TOTAL OPERATING REVENUE EXPENSES	$551,065	$672,973	$731,150	$834,517	$981,309	$1,097,072	$977,362	$1,132,418	$1,194,176
INVESTMENT CREDIT - NET	$14,377	$52,251	$62,968	$2,123	($9,251)	($14,113)	$182	$97,921	($13,414)
FEDERAL INCOME TAXES	53,145	(10,991)	(45,050)	43,058	(2,380)	(1,843)	0	21,240	38,760
OTHER OPERATING TAXES	64,011	62,203	70,352	71,304	76,329	73,874	75,850	95,405	109,923
OPERATING FED.INCOME TAX DEFER - ACC.DEP	6,129	10,671	19,038	21,672	11,798	5,875	40,967	76,365	157,674
OPER.FED. INCOME TAX DEFER - OTHER	120	119	337	580	198	0	0	0	0
INC. CREDITS FROM PRIOR FED. TAXES	0	0	0	0	0	0	0	0	0
TOTAL OPERATING TAXES	$137,782	$114,253	$107,645	$138,737	$76,694	$63,793	$116,999	$290,931	$292,943
TOTAL OPERATING REV DEDUCTIONS	$688,847	$787,226	$838,795	$973,254	$1,058,003	$1,160,865	$1,094,361	$1,423,349	$1,487,119
NET OPERATING INCOME	$147,817	$117,990	$137,996	$157,455	$74,326	$119,297	$253,030	$404,833	$323,997
100.1 TELEPHONE PLANT IN SERVICE	$2,142,991	$2,754,591	$3,284,996	$3,434,582	$3,489,404	$4,082,920	$4,513,149	$5,089,409	$5,257,614
100.3 PROPERTY HELD FOR FUTURE USE	0	0	151,058	0	0	0	0	0	0
LESS: 171 & 172 DEP. & AMORT. RESERVES	706,941	813,341	810,771	954,975	1,113,070	1,172,154	1,365,947	1,339,404	1,475,800
NET TELEPHONE PLANT END OF YEAR(DEC)	$1,436,050	$1,941,250	$2,625,283	$2,479,607	$2,376,334	$2,910,766	$3,147,202	$3,750,005	$3,781,814
PRIMARY STATISTICS									
MILES OF: WIRE IN CABLE	11,491	14,254	17,741	19,332	22,092	24,293	26,558	28,190	33,194
AERIAL WIRE	50	48	48	48	2	2	2	1	1
UNDERGROUND CONDUIT (SINGLE DUCT)	0	0	0	0	0	2	2	2	2
CARRIER CHANNEL(TELEPHONE)	902	941	941	941	236	0	0	0	0
NUMBER OF POLES	601	615	614	614	399	399	403	397	280
NUMBER OF CENTRAL OFFICES	4	4	4	4	4	5	5	5	5
ACCESS LINES(RESIDENTIAL)	0	0	0	0	0	1,429	1,441	1,280	1,362
ACCESS LINES(BUSINESS)	0	0	0	0	0	159	112	166	186
ACCESS LINES(PUBLIC)	0	0	0	0	0	7	9	10	10
ACCESS LINES(TOTAL)	0	0	0	0	0	1,595	1,562	1,456	1,558

TABLE 31.4

BLOCK 4: (TOTAL COMPANY)
JULY 27, 1988

PACIFIC NORTHWEST BELL TELEPHONE COMPANY -- TOTAL COMPANY OPERATIONS
NET OPERATING INCOME AND PLANT STATISTICS

	1979	1980	1981	1982	1983	1984	1985	1986	1987
OPERATING REVENUES									
LOCAL SERVICE	$500,188,261	$561,931,106	$654,929,264	$749,310,933	$823,952,072	$701,720,207	$724,787,936	$722,940,785	$747,542,183
ACCESS REVENUES	0	0	0	0	0	412,166,670	473,506,978	449,180,322	434,850,955
TOLL SERVICE	653,177,143	729,686,845	839,623,544	886,058,432	929,404,829	323,468,178	306,161,265	317,618,919	346,811,785
MISCELLANEOUS	89,295,486	108,329,350	118,153,481	137,226,842	144,856,972	205,212,780	176,169,362	168,022,836	153,070,324
UNCOLLECTIBLES - DEBIT	10,519,962	14,242,679	15,598,729	20,487,663	24,025,124	8,967,342	12,173,918	11,830,744	9,418,621
TOTAL OPERATING REVENUES	$1,232,140,928	$1,385,704,622	$1,597,107,560	$1,752,108,544	$1,874,188,749	$1,633,600,493	$1,668,451,623	$1,645,932,118	$1,672,856,626
OPERATING REVENUE EXPENSES									
MAINTENANCE	$255,619,719	$274,588,059	$330,206,002	$368,772,736	$386,667,303	$299,382,854	$274,415,381	$278,313,471	$269,045,069
DEPRECIATION AND AMORTIZATION	166,037,283	185,651,245	199,569,764	240,260,105	295,381,151	249,911,572	289,769,549	323,174,560	341,537,219
TRAFFIC	71,372,388	73,981,352	79,896,193	79,331,689	78,191,162	52,067,581	58,967,916	52,634,228	48,772,440
COMMERCIAL	125,717,250	147,941,033	173,991,643	196,475,222	177,817,652	146,576,291	127,539,993	130,516,620	136,910,434
ACCESS EXPENSES	0	0	0	0	0	0	444,155	6,816,619	5,710,217
GENERAL OFFICE	77,963,725	94,170,148	109,001,283	113,200,951	133,567,028	137,751,764	144,291,734	153,741,129	165,519,559
OTHER OPERATING EXPENSES	124,525,052	146,480,691	163,402,324	177,733,246	171,969,597	170,401,494	180,838,983	141,234,216	106,995,033
TOTAL OPERATING REVENUE EXPENSES	$821,235,417	$922,812,528	$1,056,067,209	$1,175,773,949	$1,243,593,893	$1,056,091,556	$1,076,267,711	$1,086,430,843	$1,074,489,971
INVESTMENT CREDIT - NET	$36,662,823	$39,251,738	$36,262,438	$24,901,243	$8,859,257	($51,521)	$11,931,027	$8,900,770	($26,087,583)
FEDERAL INCOME TAXES	(822,056)	1,145,274	10,356,621	21,875,401	80,517,235	88,751,652	75,057,878	39,352,354	128,670,663
OTHER OPERATING TAXES	110,603,256	111,634,021	135,068,945	149,072,573	137,924,355	132,634,415	138,648,253	142,440,994	155,518,569
OPERATING FED.INCOME TAX DEFER - ACC.DEP	48,654,582	53,930,586	76,836,113	87,326,062	88,777,615	78,502,377	81,225,957	79,275,708	74,943,838
OPER.FED. INCOME TAX DEFER - OTHER	7,102,560	8,168,417	8,241,922	15,696,320	13,114,743	9,559,875	10,998,399	34,315,327	18,429,334
INC. CREDITS FROM PRIOR FED. TAXES	8,518,475	11,653,198	15,012,919	18,483,989	25,695,422	25,670,469	33,875,928	33,424,255	78,610,528
TOTAL OPERATING TAXES	$193,682,690	$202,476,838	$251,753,120	$280,387,610	$303,497,783	$283,726,329	$283,985,586	$270,860,898	$272,864,293
TOTAL OPERATING REV DEDUCTIONS	$1,014,918,107	$1,125,289,366	$1,307,820,329	$1,456,161,559	$1,547,091,676	$1,339,817,885	$1,360,253,297	$1,357,291,741	$1,347,354,264
NET OPERATING INCOME	$217,222,821	$260,415,256	$289,287,231	$295,946,985	$327,097,073	$293,782,608	$308,198,326	$288,640,377	$325,502,362
100.1 TELEPHONE PLANT IN SERVICE	$3,182,538,128	$3,593,609,033	$3,947,540,166	$4,270,695,861	$4,483,670,305	$4,071,112,005	$4,335,332,689	$4,604,582,753	$4,787,734,089
100.3 PROPERTY HELD FOR FUTURE USE	1,013,431	934,439	860,014	107,117	196,421	115,756	39,933	105,404	139,062
LESS: 171 & 172 DEP. & AMORT. RESERVES	573,331,516	614,655,585	671,338,970	754,329,871	921,379,204	926,340,028	1,107,376,428	1,253,981,161	1,439,271,034
NET TELEPHONE PLANT END OF YEAR(DEC)	$2,610,220,043	$2,979,887,887	$3,277,061,210	$3,516,473,107	$3,562,487,522	$3,144,887,733	$3,227,996,194	$3,350,706,996	$3,348,602,117
PRIMARY STATISTICS									
MILES OF: WIRE IN CABLE	28,160,886	29,834,815	31,338,890	31,928,228	32,210,478	32,610,115	33,020,448	33,539,586	33,914,939
AERIAL WIRE	58,629	50,987	45,025	41,077	55,255	51,890	58,627	56,627	54,619
UNDERGROUND CONDUIT (SINGLE DUCT)	15,928	16,849	17,261	16,914	16,843	17,096	17,782	17,619	17,879
CARRIER CHANNEL(TELEPHONE)	13,506,309	15,340,554	18,785,158	22,590,878	35,945,038	13,928,584	19,126,839	29,336,954	15,959,095
NUMBER OF POLES	379,535	366,530	352,418	342,812	335,761	324,767	317,448	310,048	372,988
NUMBER OF CENTRAL OFFICES	520	537	554	558	563	268	268	266	266
ACCESS LINES(RESIDENTIAL)	0	0	0	0	0	1,780,117	1,812,641	1,845,897	1,902,466
ACCESS LINES(BUSINESS)	0	0	0	0	0	769,696	792,910	787,486	802,599
ACCESS LINES(PUBLIC)	0	0	0	0	0	36,815	37,574	36,669	34,940
ACCESS LINES(TOTAL)	0	0	0	0	0	2,586,628	2,643,125	2,670,052	2,740,005

TABLE 32.4

BLOCK 4: NET INCOME & PLANT STATS.
TOTAL COMPANY
JULY 28, 1988

UNITED TELEPHONE - TOTAL COMPANY OPERATIONS
NET OPERATING INCOME AND PLANT STATISTICS

	1979	1980	1981	1982	1983	1984	1985	1986	1987
OPERATING REVENUES									
LOCAL SERVICE	$12,065,570	$13,719,154	$16,437,901	$17,387,554	$17,077,982	$16,636,804	$16,805,294	$18,229,397	$17,814,422
ACCESS REVENUES	0	0	0	0	0	31,448,665	37,646,798	42,016,006	45,797,525
TOLL SERVICE	30,138,937	36,138,211	42,571,575	46,078,434	49,723,362	26,243,498	18,814,571	13,577,523	5,337,116
MISCELLANEOUS	1,235,090	1,428,640	1,644,370	1,803,483	2,122,349	4,151,173	4,659,560	3,782,576	5,840,050
UNCOLLECTIBLES - DEBIT	546,043	658,228	709,909	918,911	867,342	324,655	205,862	242,474	146,658
TOTAL OPERATING REVENUES	$42,893,554	$50,627,777	$59,943,937	$64,350,560	$68,056,351	$78,155,485	$77,720,361	$77,363,028	$74,642,455
OPERATING REVENUE EXPENSES									
MAINTENANCE	$8,987,472	$9,680,474	$10,829,787	$13,727,871	$12,441,463	$12,483,426	$11,781,378	$14,254,489	$12,192,180
DEPRECIATION AND AMORTIZATION	8,649,248	9,877,503	13,341,868	14,015,383	15,135,286	17,390,341	17,375,450	16,226,168	15,554,869
TRAFFIC	1,208,616	1,049,464	850,643	1,077,901	997,975	1,152,020	1,152,176	845,663	2,422,348
COMMERCIAL	2,453,573	2,730,231	3,110,976	3,653,873	3,693,092	3,948,655	4,429,756	3,671,190	3,585,485
ACCESS EXPENSES	0	0	0	0	0	0	0	0	0
GENERAL OFFICE	3,288,277	4,087,062	4,742,978	6,066,015	6,941,473	7,197,013	8,478,599	8,958,753	8,298,906
OTHER OPERATING EXPENSES	1,748,501	1,992,023	2,636,628	3,291,269	3,797,416	6,224,079	5,276,219	6,972,254	6,066,809
TOTAL OPERATING REVENUE EXPENSES	$26,335,687	$29,416,757	$35,512,880	$41,832,312	$43,006,705	$48,395,534	$48,493,578	$50,928,517	$48,120,597
INVESTMENT CREDIT - NET	$2,035,944	$1,270,692	$1,174,777	$597,736	($10,046)	$176,960	$282,735	($1,760,683)	($1,393,600)
FEDERAL INCOME TAXES	(126,354)	2,571,943	4,034,049	3,153,629	5,235,094	7,371,408	6,992,111	7,407,652	6,507,162
OTHER OPERATING TAXES	3,003,370	3,193,846	3,756,303	3,814,279	3,832,687	4,288,849	4,607,538	4,552,305	4,824,397
OPERATING FED.INCOME TAX DEFER - ACC.DEP	1,745,306	1,626,192	1,518,161	1,638,120	1,698,661	1,366,053	1,393,548	1,432,660	2,120,505
OPER.FED. INCOME TAX DEFER - OTHER	0	(101,300)	0	0	0	0	0	71,407	(440,492)
INC. CREDITS FROM PRIOR FED. TAXES	0	65,406	0	0	0	0	0	0	0
TOTAL OPERATING TAXES	$6,658,266	$8,495,967	$10,483,290	$9,203,764	$10,756,396	$13,203,270	$13,275,932	$11,703,341	$11,617,972
TOTAL OPERATING REV DEDUCTIONS	$32,993,953	$37,912,724	$45,996,170	$51,036,076	$53,763,101	$61,598,804	$61,769,510	$62,631,858	$59,738,569
NET OPERATING INCOME	$9,899,601	$12,715,053	$13,947,767	$13,314,484	$14,293,250	$16,556,681	$15,950,851	$14,731,170	$14,903,886
100.1 TELEPHONE PLANT IN SERVICE	$138,525,470	$152,505,418	$166,760,118	$177,533,251	$183,964,883	$193,917,391	$203,600,578	$211,912,122	$220,277,631
100.3 PROPERTY HELD FOR FUTURE USE	3,240	0	174,283	144,807	69,304	69,749	59,083	56,776	14,580
LESS: 171 & 172 DEP. & AMORT. RESERVES	27,921,895	30,693,341	36,967,076	42,863,968	53,424,113	63,486,124	72,610,501	81,780,988	91,990,869
NET TELEPHONE PLANT END OF YEAR(DEC)	$110,606,815	$121,812,077	$129,967,325	$134,814,090	$130,610,074	$130,501,016	$131,049,160	$130,187,910	$128,301,342
PRIMARY STATISTICS									
MILES OF: WIRE IN CABLE	658,707	673,264	700,037	714,920	729,941	747,481	761,506	847,363	855,720
AERIAL WIRE	12,627	12,435	12,417	13,413	12,131	12,118	12,832	10,820	10,575
UNDERGROUND CONDUIT (SINGLE DUCT)	50	66	69	70	73	74	74	75	75
CARRIER CHANNEL(TELEPHONE)	48,743	83,435	98,198	110,265	130,402	144,659	178,015	199,521	225,280
NUMBER OF POLES	38,591	40,603	39,997	38,945	37,743	37,853	37,401	36,337	35,963
NUMBER OF CENTRAL OFFICES	60	61	61	61	61	63	66	62	63
ACCESS LINES(RESIDENTIAL)	0	0	0	0	0	69,833	70,774	63,486	73,873
ACCESS LINES(BUSINESS)	0	0	0	0	0	18,508	22,180	28,231	20,515
ACCESS LINES(PUBLIC)	0	0	0	0	0	830	850	994	950
ACCESS LINES(TOTAL)	0	0	0	0	0	89,171	93,804	92,711	95,338